



NEXUS COMMUNICATIONS, INC.

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DOMESTIC / FOREIGN:

Foreign

STATUS:

Good Standing

STATE OF INCORPORATION

OHIO

/ ORGANIZATION:

Profit

REGISTERED AGENT INFORMATION

REGISTERED AGENT NAME:

CORPORATION SERVICE COMPANY

ADDRESS:

1703 LAUREL STREET COLUMBIA

CITY:

SC

STATE: ZIP:

29201

SECOND ADDRESS:

FILE DATE:

01/28/2004

EFFECTIVE DATE:

01/28/2004

DISSOLVED DATE:

///

Corporation History Records

CODE

FILE DATE

COMMENT

CH AGT/ADD FR FRANCIS H CLABAUGH ESQ

Agent

06/15//2011

REINSTATEMENT

Reinstatement

03/23/2009 11/30/2007

FOR#2

Forfeiture Authority

01/28/2004

AUTHORITY

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Document

Exhibit D - Outreach Photograph



Exhibit E - White Paper on Benefits of Prepaid Wireless

Prepaid Wireless: Exactly What's Needed For Universal Service

Prepared for Nexus Communications

Introduction

For over twenty-five years, the Federal Government has assisted low income Americans gain access to the telephone system that knits the nation together. The modern Low Income program (Lifeline and Link Up) was created in 1996 as part of the formal, explicit Universal Service program established by the Telecommunications Act of 1996. It is intended to help ensure that "[q]uality services [will] be available at just, reasonable, and affordable rates" for all citizens. In the years since passage of the 1996 Act, services supported by the Low Income program have grown more varied and sophisticated as technology has evolved. Much of this change has been driven by consumers themselves. Like everyone else, low income consumers look for new ways of communicating, new technologies, and new service offerings. And like everyone else, low income consumers know that they need wireless services to navigate in today's economy.

The goals of the Universal Service program remain undiminished today, but whereas 25 years ago all that was really at issue was plain old wired telephone service, today the program operates in a communications industry that continues to evolve at an ever-increasing pace. It is a testament to Congress's foresight—in declaring Universal Service to be an "evolving" standard, and one that is not bound to any particular technology—that the program has adapted and has

¹ The Lifeline program was created by the FCC in 1984. MTS and WATS Market Structure, and Amendment offPart 67 offthe Commission's Rules and Establishment offa Joint Board, Recommended Decision, CC Docket nos. 78-72 and 80-28%, 49 Fed. Reg. 48325 (rel. November 23, 1984) (recommending the adoption of federal Lifeline assistance measures); Decision and Order, CC Docket nos. 78-72 and 80-286, FCC 84-637, 50 Fed. Reg. 939 (rel. December 28, 1984) (adopting the Joint Board's recommendation).

² 47 U.S.C. § 254(b).

come to encompass wireless services for low income Americans. Wireless, especially prepaid wireless, is one of the best tools presently available to combat the communications divide. Prepaid wireless has introduced new services and new power to low income customers, and they have responded positively and overwhelmingly. The result is an enlivened Low Income program—that makes these services possible for these consumers—that is on course to complete the goal of connecting all Americans in a wireless century.

Wireless Telephone Service is Ubiquitous

Wireless telephone service is now the dominant form of communication in the nation. According to the Federal Communications Commission, 90% of Americans have a mobile device.³ The availability of this technology is virtually universal: 99.6% of Americans live and work in areas that are covered by one or more mobile voice providers.⁴ Now that wireless service has become ubiquitous, it is quickly displacing the older wireline system. Wireline service has been declining for years, and currently one quarter of American households have "cut the cord" and rely on wireless voice service alone.⁵ In 2009, the number of American households that had only wireless phones exceeded the number that had only landlines for the first time.⁶ Twenty or even ten years ago that would have been remarkable – the majority of Americans have both landline and wireless but among those who have only one service, there are *more* that choose wireless-only than choose landlime-only. And, this balance will only continue to tilt in favor of wireless: fifteen percent of those who retain wireline service report that they

³ FCC 10-81, "Annual Report and Analysis of Competitive Market Conditions with Respect to Mobile Wireless, including Commercial Mobile Services," 20 May 2010, p.S, p.11

⁵ Wireless Substitution: Early Release off Estimates From the National Health Interview Survey, July—December 2009, by Stephen J. Blumberg, Ph.D., and Julian V. Luke, Division of Health Interview Statistics, National Center for Health Statistics

⁶ Amy Farnsworth, A cellphone plan to bridge digital divide: Firms and feds offer firee connections to customers shut out by high costs, Christian Science Monitor, July 2, 2009.

receive all or almost all of their calls on wireless telephones.⁷ Wireline is a "legacy" serwice—it's not going away entirely any time soon, but it is shrinking, not growing, as it is displaced by wireless service throughout the population.

It's not surprising that customers prefer wireless to landline by such a large margin. Wireless service by its very nature is portable, and it has allowed Americans to adapt to a new era of ubiquitous and constant connectivity, something that was never possible with landline service. Wireless service also the technology marked associated features implemented in hardware, as well as new network capabilities — expanding the possibilities of communication and related economic productivity year after year. Even the lowest—priced wireless handsets offer features that landline phones don't, such as text messages, built-in phonebooks, and mobile voicemail. The cost of wireless service has also decreased dramatically, making it easily affordable for the majority of Americans. At the same time, consumer satisfaction with wireless offerings has reached higher levels. The wireless industry's dramatic rise is not a fluke; it is the result of millions of Americans—esspecially those on limited budgests—marking the rational decision to choose a mobile, technologically advanced product over the increasingly antiquated and wall-bound Twentieth Century telephone system.

Wireless Provides Special Advantages for Low Income Americans

Congress took specific steps to ensure that low income Americans aren't left out of the wireless revolution. Like other wireless customers, low income Americans enjoy the better

⁷ Wireless Substitution: Early Release off Estimates From the National Health Interview Survey, July-December 2009, by Stepham J. Blumberg, Ph.D., and Julian V. Luke, Division of Health Interview Statistics, National Center for Health Statistics

⁸ CTIA, Semi-annual wireless industry survey, available at http://www.ctia.org/advocacy/research/index.cfmlAID/10316

⁹ CTIA, The Wireless Industry Facts: An Independent Review, available at http://files.ctia.org/pdf/082010_Independent_Assessment_of_Wireless_Industry.pdf

handsets and added features that come with wireless service. But wireless also provides critical benefits for low income Americans that improve their security, mobility, and economic welfare in ways that are particularly important to them in light of the economic and at times social challenges they face. Numerous studies have demonstrated that wireless phones help low income Americans in profound ways, and that they recognize it.

First, wireless phones provide and enhance physical, personal security. Survey respondents prefer wireless to landline for emergency uses by more than three to one, and forty-eight percent of Americans have already used a wireless phone in an emergency. Wireless phones have been called a "lifeline" for the homeless, who use them to call for help and to report assaults. Studies have called wireless phone service "essential" to low income Americans, largely because it provides a constant connection with family, friends, and others who can offer support and protection when needed. 12

Second, low income Americans benefit, even more than other wireless customers, from the mobility of their phones. Low income customers often spend less time during the day at a fixed location like a home or a desk. If unemployed, a wireless service is more useful than a landline service, as discussed below. But employed Americans with lower incomes will more likely be in jobs that do not come with an office phone available to them. This is particularly true for the homeless. For homeless Americans, wireless service is the only realistic means of

¹⁰ Amy Farnsworth, A cellphone plan to bridge digital divide: Firms and feds offer free connections to customers shut out by high costs, Christian Science Monitor, July 2, 2009; Sullivan, N.P. Cell phones provide significant economic gains for low-income American households: A review offliterature and data from two new surveys at 15; available at http://www.newmilleniumresearch.orglarchive/Sullivan_Report_032608.pdf ("Sullivan Report")

¹¹ Petula Dvorak, D.C. Homeless People Use Cellphones, Blogs and E-mail to Stay on Top of Things, Washington Post, March 23, 2009.

¹² Janice A. Hauge, et al., Whose call is it? Targeting universal service programs to low-income households' telecommunications preferences, 33 Telecomm. Pol'y 129, 130 (2009), available at http://warrington.ufl.edu/purc/purcdocs/papers/0805_Hauge_Whose_Call_is.pdf

voice communication, especially as payphones disappear.¹³ Advocates report that wireless phones are crucial for the homeless, who use them to stay in touch with their families, arrange appointments for medical care, and pay bills.¹⁴

Wireless service is also very important in helping low income Americans get and keep jobs. Unless they have a wireless phone and accessible voicemail, low income job applicants are at a serious disadvantage during the process of seeking and setting up job interviews, as well as making and receiving the follow-up calls that are an integral part of actually getting hired. A mobile phone allows prospective employees to respond immediately to potential employers and, once hired, allows them to stay in contact with their employers and to better manage their schedules. In this respect, inbound use of wireless phones –the ability to receive calls – is just as critical as the ability to call others. Once they are employed, low income Americans use their wireless phones to contact employers and co-workers. In this regard, most wireless customers use their phones for work-related calls, and it would be difficult to imagine navigating the responsibilities and assignments of the work world without a mobile telephone. 15

Another way wireless is useful to low income Americans is as a tool for obtaining the most effective access to other social services for which they are targeted. A wireless service allows low income families to have reliable communication with government or medical offices, since they will not have to sit near a wired phone—withich may not be an option in any case—and since, if they do miss a call, there is typically Caller ID and voice mail available to facilitate the exchange of information and any necessary call-backs.

Prepaid billing is perhaps the most important aspect of wireless service for low income Americans. As the observers have noted, the flat fees attached to most contractual postpaid

¹³ Kevin Graham, Wireless a Lifeline for Homeless, St. Petersburg Times, April 9, 2007.

¹⁵ Sullivan Report at 22.

plans are disproportionately onerous on low income customers.¹⁶ By contrast, prepaid wireless service costs only as much as a customer can afford. The low income customer does not have to commit to pay for more service than she will likely use, and does not have to worry about bill shock if the unduly-large monthly commitment becomes too onerous. With pre-paid, the financial burden is both precise and fair. This is a crucial benefit to families who must count every dollar each month. The FCC itself has noted that the "prepaid feature, which essentially functions as a toll control feature, may be an attractive feature to Lifeline-eligible consumers who are concerned about usage charges or long-term contracts." With prepaid, low income customers can purchase only as many minutes as they need for their phone.

Prepaid Wireless-Bluidging the Communications Divide

The advantages of wireless service are not lost on low income Americans. Quite the contrary: low income customers are migrating quickly to wireless, and their rate of switching to wireless only – that is, "cutting the cord" – is higher than that of the rest of the population. When asked, low income families confirm that if they can only have one phone, they want it to be wireless. They also want it to be prepaid. In the last few years, the increase in prepaid subscribership has been particularly high in low income households, which makes sense. Studies

¹⁶ Reply Comments of the Minority Media and Telecommunications Council, In the Matter off Fostering Innovation and Investment in the Wireless Communications Market; A National Broadband Plan for Our Future, Notice of Inquiry, GN Docket Nos. 09-157, 09-51, FCC 09-66 (rel. Aug., 27, 2009).

¹⁹ Hauge at 136.

¹⁷ In the Matter off Federal-State Joint Board on Universal Service, TraceFone Wireless, Inc. Petition for Designation as an Eligible Telecommunications Carrier in New York, Florida, Wirginia, Connecticut, Massachusells, Alabama, North Carolina, Tehhéssee, Delaware, New Hampshire, Pennsylvania and the District off Columbia, CC Docket No. 96-45, FCC 08-100, Released April 11, 2008.

¹⁸ Hauge at 141; Wireless Substitution: Early Release of Estimates From the National Health Interview Survey, July-December 2009, by Stephen J. Blumberg, Ph.D., and Julian V. Luke, Division of Health Interview Statistics, National Center for Health Statistics.

have shown that low income customers choose prepaid in higher numbers than any other group.²⁰

The success of prepaid wireless among this segment of the population is borne out by a recent study that found that the penetration of prepaid service in low income Floridian households has doubled over the past three years.²¹ The prepaid wireless industry is also growing quickly as a whole: two out of three new wireless subscribers choose prepaid.²² As the FCC predicted, the ability to control costs is the big reason that prepaid wireless has been so successful among low income purchasers.²³ Being able to decide how much or how little to spend on phone service from month to month allows low income families to manage their costs and phone usage in accordance with family budget. By pre-paying, they can control the cost of critical wireless service on a highly granular level, down to the dollar and the minute.²⁴

Crucially, minority populations are of particular interest in any policy discussion concerning prepaid wireless and the digital divide. First, minorities have a higher wireless penetration rate than the overall population. Additionally, the Low Income program is of particular relevance in combating the communications divide in minority populations because they suffer from higher poverty rates. For example, the poverty rate for Latinos in was 23.2 percent and 24.7 percent for African-Americans in 2008, compared to the overall poverty rate of

²⁰ Id. at 138,

²¹ Id. at 137.

²² Marguerite Reardon, *Prepaid wireless outpaces contract service*, CNET News, April 5, 2010, available at http://news.cnet.com/8301-30686_3-20001793-266.html

²³ Hauge at 139.

²⁴ As the National Consumers League has written, "[p]repaid wireless service is a good option for low-income consumers because there are no long-term contracts, no credit checks, and no early termination penalties or late payment fees. With prepaid service, people pay only for the service that they can afford." Comments to the Federal Communications Commission from the National Consumers League In the matter of Federal-State Joint Board on Universal Service, CC Docket 96-45, WC Docket 03-109, September 17, 2004.

²⁵ Hauge at 135.

13.2 percent.²⁶ Prepaid wireless is crucial to narrowing the communications divide due to its unique mix of affordability and ease of use allows it to achieve high penetration in minority communities.

Prepaid Wireless as Low Income Eligible Telecommunication Carriers ("ETCs")

The overwhelming success of prepaid wireless among low income households has rejuvenated the Lifeline and Link Up programs. Unlike the High Cost program, Lifeline and Link Up payments are directly tied to the exact number of qualifying low income customers that an ETC serves.²⁷ Thus, while growth in the High Cost program might well be a basis for concern - if costs are so high, and growing, perhaps there is an underlying inefficiency in how the service is providing - growth in the Low Income program means that more and more of the population the program is trying to reach, is actually being reached. This is a success, not a problem. And, where states have approved prepaid wireless providers as eligible telecommunications carriers (ETCs), participation rates in these programs have jumped. Texas saw an immediate 10% increase in Lifeline participation when it began approving wireless ETCs.²⁸ In Florida, the combination of automatic enrollment and the approval of SafeLink, a prepaid wireless phone provider, to be a Lifeline ETC, led to a increased participation rate of 236% in a single year.²⁹

Still, overall participation in the Lifeline and Link Up programs is still far from what it should be if the program's goals - all Americans, including low income Americans, having

telecommunications carriers (ETCs)) or total volume of customers (competitive ETCs).

²⁶ U.S. Census Bureau, Summary offthe Current Population Survey (CPS), 2009 Annual Social and Economic Supplement (ASEC), available at http://www.census.gov/hhes/www/poverty/about/overview/index.html ²⁷ The High Cost program provides subsidies based on the total amount of cost a carrier incurs (incumbent eligible

²⁸ Memorandum from Edward Randolph, Director of the Office of Governmental Affairs, to the California Public Utilities Commission on AB 2213 (Fuentes) - Moore Universal Telephone Service Act as Amended (May 26, 2010). available at http://docs.cpuc.ca.gov/PUBILISHED/REPORT/I 18920.htm

²⁹ Florida Public Service Commission news release, Rlorida's lifeline enrollment increases dramatically, December 28, 2009. available at http://www.psc.state.fil.us/home/news/index:aspx?id=615

access to modern, effective, affordable communicationss- are going to be met. Unfortunately, only 32% percent of eligible households took part last year.³⁰ The FCC has attributed this low success rate in part to state restrictions on wireless ETCs, of which it urges reconsideration.³¹ Certainly, new outreach efforts should be encouraged.

Best Practices in the Prepaid Wireless Industry

As the prepaid wireless industry grows in size, its business practices are also evolving. Already, there are a recognizable set of best practices that many companies follow in order to offer the most attractive packages to consumers and to maintain the advantages of prepaid for low income Americans. First, many ETCs offer a reasonable number of minutes upon activation of the phone, and additional minutes can be purchased affordably. Nexus Communications' ("Nexus"), like most prepaid wireless ETCs, offers additional prepaid cards, whose minutes rollover into the next month if not used, at stores such as Walmart, CVS/Pharmacy, Rent A Center and Giant Eagle. Second, Nexus and other wireless ETCs waive the balance of their activation fees not covered by Link Up, and also provide free wireless handsets, thereby eliminating any cost barrier to obtaining service. Third, as mentioned before, Nexus and Tracfone (in most markets) provide sixty eight free minutes of service with basic service packages, and unused minutes roll over from month to month for as long as the Lifeline subscriber remains enrolled in the lifeline program. Just recently, Tracfone announced that it is adding additional packages for Lifeline subscribers to choose from, including one plan that provides Lifeline subscribers with up to two hundred fifty free minutes every month.

31 National Broadband Plan, Chapter 9, at 172.

³⁰ USAC Lifeline Participation Rate Study (2009), available at http://www.usac.org/li/about/participation-rate-information.aspx

³² Details of Nexus' service offerings are available at https://www.reachoutmobile.com/index.php/site/page/C3/

Fourth, as active and responsible participants in the government's Low Income programs, prepaid wireless ETCs support the creation of a national certification and verification database. In addition, prepaid wireless ETCs are helping to eliminate fraud, waste, and abuse from the Low Income program by de-enrolling Lifeline subscribers who do not use the handset for 60 days. This ensures that ETCs will not inadvertently seek USF reimbursements for subscribers who are no longer using their services. Only subscribers who actually use their wireless service will continue to participate in the Lifeline program, and wireless ETCs will only receive Low Income support for those subscribers who remain enrolled in the Lifeline program.

The Challenges that Remain

The rapid growth of prepaid wireless within the Lifeline program has not been without critics. Some have charged that prepaid wireless ETCs have not demonstrated a commitment to consumer value in the services they offer through Lifeline and Link Up, and that the number of minutes offered monthly is too low.³³ Others have noted that the non-commactual nature of the prepaid model makes it difficult to verify that customers remain eligible for government support.³⁴

It's certainly true that prepaid wireless ETCs don't operate like traditional landline ILECs when offering Lifeline services. But over the last few years, low income Americans have announced clearly, in every way possible, that they prefer limited minutes on a wireless phone to unlimited local minutes on a landline phone. Given all the advantages of wireless noted above,

³³ Comments of the Advocates for Basic Legal Equality, et all. In the Matter of Federal-Stale Joint Board on Universal Service Seeks Comment on Lifeline and Link-Up Eligibility, Werificatiom, and Outreach Issues Referred to Joint Board, Public Notice, FCC 10J-2, CC Docket %-45 and WC Docket 03-109 (FCC rel. June 15, 2010), seeking comment on In Re Federal-State Joint Board on Universal Service, Lifeline and Link Up, Order, FCC 10-72, CC Docket 96-45 and W€ Docket 03-109 (FCC rel. May 4, 2010).

³⁴ Comments of the National Association of National Association of State Utility Advocates In the Matter off Federal-State Joint Board on Universal Service Seeks Comment on Lifeline and Limk-Up Eligibility, Verification, and Outreach Issues Referred to Joint Board, Public Notice, FCC 10J-2, CC Docket 96-45 and WC Docket 03-109 (FCC rel. June 15, 2010), seeking comment on In Re Federal-State Joint Board on Universal Service, Lifeline and Link Up, Order, FCC 10-72, CC Docket 96-45 and WC Docket 03-109 (FCC rel. May 4, 2010).

this is hardly surprising. The old landline model is simply not useful to most Americans in today's economic and social environment. Likewise, it is true that making sure prepaid wireless customers can be certified and verified through the Low Income system has required some innovative solutions, and may require further adjustments to guard against waste, fraud, and abuse. But this innovation is happening, will continue to happen, and is indicative of the prepaid wireless industry's ability to expand the boundaries of service and the traditional definitions of telephone networks. Fundamentally, the problems identified by critics, mismatching of service offerings to need, and a potential for waste while more effective verification methods are put in place, are simply growing pains. Any new entrant into established programs like Lifeline and Link Up will face these kinds of challenges. But these challenges are far preferable to the problems that would face a wireline-only Lifeline program: quickly decreasing participation and growing irrelevance to the needs of those Americans it is supposed to help. Prepaid wireless has already solved the problems that would otherwise endanger the very existence of the Low Income programs, and it is one of the best tools to combat the communications divide.

Solutions

None of the challenges facing prepaid wireless ETCs is intractable. By following the best practices outlined above, companies like Safelink Wireless, Nexus, and Assurance Wireless already give their customers great value in prepaid wireless phones, and subscription numbers show that low income consumers recognize this value. Many ETCs are also offering new types of packages to Lifeline subscribers, including ones with up to two hundred fifty free minutes ever month, as part of their efforts to respond to the suggestions of consumer groups. The wide availability of prepaid cards and the increasing competition among providers are also making it easier for customers to find the best choice among phones. State public service commissions can

provide another easy way to increase competition among wireless ETCs. Many states, through their implementation of the Lifeline and Link Up programs, already publish the names of qualifying ETCs that customers may choose among.³⁵ State public service commissions could take the next step of publishing the terms of various prepaid plans, which would point out which ETCs' plans offer the best value for state residents. This centralized information repository, combined with the natural competition in a fast-growing industry, would do much to eliminate or reduce cost concerns.

Prepaid wireless ETCs are also playing an active role in the push to reform the eligibility and verification systems that the Lifeline and Link Up programs use to prevent fraud and abuse. A nationally-maintained eligibility database, which wireless ETCs have urged the FCC to implement soon A nationally-maintained eligibility database, which wireless ETCs have urged the FCC to implement soon, would resolve any issues associated with subscribers attempting to obtain Lifeline service from more than one carrier simultaneously or when a subscriber is not qualified for the Lifeline program.³⁶

Conclusion

Low Income Americans were among the first to recognize how well prepaid wireless meets their needs by providing security, mobility, and cost control that was not being offered by traditional landline services. Their response has been swift and clear, and the rate at which low income customers abandon landlines in order to make the move to prepaid wireless is increasing. The FCC and many state governments have recognized the trend, and are adapting the Lifeline

35 See, e.g., Illinois (http://www.icc.illinois.gov/utility/list.aspx?type≡prepaid), California (http://www.cpuc.ca.gov/PUC/Telco/Public+Programs/lifelinedetails.htm)

³⁶ See, e.g. Comments of Leap Wireless International, Inc. and Cricket Communications, Inc.; Comments of Nexus Communications, Inc.; Comments of PR Wireless, Inc.; Comments of IliracFone Wireless; CC Docket 96-45 and WC Docket 03-109 (FCC rel. June 18, 2010), seeking comment on In Re Federal-State Join Board on Universal Service, Lifeline and Link Up, Order, FCC 10-72, CC Docket 96-45 and EC Docket 03-109 (FCC rel. May 4, 2010).

and Link Up programs so that they can help more low income Americans get jobs and stay employed, better manage their budgets, and care for their families. This constitutes no less than a revolution in the usefulness and desirability of Lifeline and Link Up service for low income Americans



STATE OF OHIO)	
)	ss:
COUNTY OF FRANKLIN)	

AFFIDAVIT AND CERTIFICATION

I, STEVEN FENKER, do hereby depose and state:

- 1. I am President of Nexus Communications, Inc. ("Nexus" or "the company"). My business address is 3629 Cleveland Avenue, Suite C, Columbus, Ohio 43224. I am authorized to make this Affidavit and Certification on Nexus' behalf, in support of its Application to be designated as an Eligible Telecommunications Carrier ("ETC") in the State of South Carolina for the purpose of receiving Low-Income support from the federal Universal Service Fund.
- 2. On behalf of Nexus, I hereby certify that:
 - a. V have read the foregoing Application for designation as an eligible telecommunications carrier, and confirm that the information contained therein is true and correct to the best of my knowledge and belieff
 - b. Nexus will (I) provide service on a timely basis to requesting customers within the applicant's service area where the applicant's network already passes the potential customer's premises; and (2) provide service within a reasonable period of time, if the potential customer is within the applicant's licensed service area but outside its existing network coverage, in cooperation with its carrier vendor, if service can be provided at reasonable cost by (a) modifying or replacing the requesting customer's equipment; (b) deploying a roof-mounted antenna or other equipment; (c) adjusting the nearest cell tower; (d) adjusting network or customer facilities; (e) reselling services from another carrier's facilities to provide service; or (f) employing, leasing or constructing an additional cell site, cell extender, repeater, or other similar equipment.
 - c. Nexus acknowledges that the Federal Communications Commission may require it to provide equal access to long distance carriers in the event that no other ETC is providing equal access within the service area.

d.	Nexus will	advertise in	n media	of general	dfstribution	the	availability	of its
	Lifeline serv	vices and the	applicab	ole ellanges.				

Signatur Printed Name Sworn and subscribed to before me this 24 day of December My Commission expires on: 3/10

Exhibit G - Two Year Plan for Advertising and Outreach Programs

EXHIBIT G

NEXUS COMMUNICATIONS, INC. TWO-YEAR ADVERTISING AND OUTREACH PLAN FOR LIFELINE SERVICE IN THE STATE OF SOUTH CAROLINA

TABLE OF CONTENTS

SUMMARY	1
BACKGROUND	1
ADVERTISING AND OUTREACH PLAN	2
A. Advertising and Outreach to Potential Applicants	2
B. Qualification, Enrollment, and Verification of Eligibility for Lifeline Support	3

SUMMARY

Nexus Communications, Inc. ("Nexus" or the "Company") has developed this

Advertising and Outreach Plan (the "Plan") in compliance with section 103-690.C(a)(1)(C) of
the South Carolina Code of Regulations, which requires carriers seeking designation as an

Eligible Telecommunications Carrier ("ETC") for the purposes of participation in the Lifeline
program to "submit a two-year plan that describes the carrier's plans for advertising and outreach
programs for identifying, qualifying, and enrolling eligible participants in the Lifeline and Link
Up programs." In accordance with state and federal requirements, Nexus will "publicize the
availability of Lifeline service in a manner reasonably designed to reach those likely to qualify
for the service."

Implementation of the Plan will commence upon designation as a wireless ETC and will continue for a term no less than twenty-four (24) months from the date that the approval order becomes effective. Nexus has already implemented a similar plan for its wireline Lifeline services in South Carolina, pursuant to the Public Service Commission of South Carolina's ("Commission") "Order Granting Designation as an Eligible Telecommunications Carrier for Lifeline and Link-Up Support From the Universal Service Fund" (Order No. 2009-316 in Docket No. 2008-275-C, issued June 10, 2009).

BACKGROUND

Nexus is an Ohio corporation authorized to conduct business as a foreign corporation in the State of South Carolina. Nexus was granted a Certificate of Public Convenience and Necessity to Provide Competitive Local Exchange Telecommunications Services within the State

¹ S.C. Code Ann. Regs. §§103-690. C(a)(1)(C). As noted in the accompanying Application for Designation as a wireless ETC, the FCC recently terminated the federal Link Up program in non-Tribal lands, and Nexus is not requesting Link up support.

² 47 C.F.R. §54.405(b).

of South Carolina Pursuant to Order No. 2004-421 issued in Docket No. 2004-59-C on September 3, 2004, and it currently provides wireline Lifeline service in South Carolina pursuant to the Commission's above-referenced grant of Low Income ETC designation in June 2009. The Company's principal office is located at 3629 Cleveland Avenue, Suite C, Columbus, Ohio 43224.

ADVERTISING AND OUTREACH PLAN

This Advertising and Outreach Plan is designed to promote maximum visibility of Nexus' wireless Lifeline service throughout South Carolina. Nexus will use advertising media that have a proven track record of effectively identifying, informing, and educating current and potential subscribers to the Lifeline program, thereby increasing consumer awareness and the overall penetration of Lifeline subscribership in South Carolina. The Company will begin implementation of its Advertising and Outreach Plan upon designation as a wireless ETC, and will continue for a period of not less than 24 months.

A. Advertising and Outreach to Potential Applicants

Nexus uses a variety of outreach programs for its Lifeline supported services, including direct mail, Internet advertising, and radio and television advertising. Nexus also reaches potential subscribers through retail marketing, including kiosks and point-of-sale promotional materials located in third-party retail establishments. Each channel is intended to induce potential subscribers to contact Nexus either in person, over the Internet or by telephone. Although the logistics of the enrollment process vary somewhat for each channel as is further described below, in all cases, as described below, all Lifeline applicants are thoroughly screened to ensure that they are qualified before a handset is delivered.

Nexus has incorporated into its marketing materials for its Lifeline services, in clear, easily understood language: (1) that the service is supported by Lifeline, a government program;

(2) that only eligible consumers may enroll in the program; (3) what documentation is necessary for enrollment; (4) that the benefit is limited to one per household and is non-transferable; and (5) that consumers who willfully make false statements in order to obtain the benefit can be punished by fine or imprisonment or can be barred from the program.³ Nexus also discloses its name (the ETC) on all marketing materials.⁴ A representative sample of Nexus' revised marketing materials incorporating these disclosures is attached. :

B. Qualification, Enrollment, and Verification of Eligibility for Lifeline Support

Nexus complies with the requirements pertaining to consumer qualification for Lifeline set forth in section 54.409 of the FCC's newly revised Lifeline rules and the implementing orders of the Public Service Commission of South Carolina. More specifically, Nexus requires all subscribers to demonstrate eligibility based at least on: (1) household income at or below 135% of the Federal Poverty Guidelines for a household of that size; or (2) the household's participation in one of the federal or state assistance programs referenced in 47 C.P.R. §54.409(a)(2)-(3). Nexus also confirms that the subscriber is not already receiving a Lifeline service and that no one else in the subscriber's household is subscribed to a Lifeline service. 6

If Nexus cannot determine an applicant's eligibility for Lifeline by accessing income or program eligibility databases, Nexus personnel (either employees, third-party subscriber service representatives or authorized agents in third-party retail establishments) review documents to establish eligibility in accordance with the criteria set forth in FCC rules. All Nexus personnel who interact with existing Lifeline subscribers or Lifeline applicants have been fully trained in

³ 47 C.F.R. §54.405(c).

⁴ 47 C.F.R. §54.405(d),

⁵ See Order No. 2012-234 in Docket No. 2012-115-C (Mar. 29, 2012); 47 C.F.R. §54.509.

⁶ 47 C.F.R. § 54,409(c).

⁷ 47 C.F.R. § 54.409.

assisting Lifeline applicants with Lifeline eligibility. Nexus also follows the new FCC requirements pertaining to acceptable documentation to establish eligibility based either on income level or participation in a qualified government assistance program. Specifically, acceptable documentation of program eligibility includes: (1) the current or prior year's statement of benefits from a qualifying state, federal or Tribal program; (2) a notice letter of participation in a qualifying state, federal or Tribal program; (3) program participation documents (e.g., the consumer's Supplemental Nutrition Assistance Program ("SNAP") electronic benefit transfer card or Medicaid participation card (or copy thereof); or (4) another official document evidencing the consumer's participation in a qualifying state, federal or Tribal program. Acceptable documentation of income eligibility includes: (1) the prior year's state, federal, or Tribal tax return; (2) current income statement from an employer or paycheck stub; (3) a Social Security statement of benefits; (4) a Veterans Administration statement of benefits: (5) a retirement/pension statement of benefits; (6) an Unemployment/Workers' Compensation statement of benefit; (7) federal or Tribal notice letter of participation in General Assistance; or (8) a divorce decree, child support award, or other official document containing income information.

In accordance with 47 C.F.R. § 54.410(d), in its Lifeline Application Nexus discloses that: (1) Lifeline is a federal benefit and willfully making false statements to obtain the benefit can result in fines, imprisonment, de-enrollment or being barred from the program; (2) only one Lifeline service is available per household; (3) a household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at the same address and share income and expenses; (4) a household is not permitted to receive Lifeline benefits from multiple providers; (5) violation of the one-per-household limitation constitutes a violation

of the Commission's rules and will result in the subscriber's de-enrollment from the program; and (6) Lifeline is a non-transferable benefit and the subscriber may not transfer his or her benefit to any other person.

Further, Nexus' Lifeline Application requires all Lifeline applicants to certify, under penalty of perjury, that: (1) the subscriber meets the income or program-based eligibility criteria for receiving Lifeline; (2) the subscriber will notify Nexus within 30 days if, for any reason, he or she no longer satisfies the criteria for receiving Lifeline including, as relevant, if the applicant no longer meets the income- or program-based criteria for receiving Lifeline support, the subscriber is receiving more than one Lifeline benefit, or another member of the subscriber's household is receiving a Lifeline benefit; (3) if the subscriber is seeking to qualify for Lifeline as an eligible resident of Triballamds, that he or she lives on Tribal lands; (4) if the subscriber moves to a new address, that he or she will provide that new address to Nexus within 30 days; (5) if the subscriber provided a temporary residential address to Nexus, the subscriber will be required to verify his or her temporary residential address every 90 days; (6) the subscriber's household will receive only one Lifeline service and, to the best of the applicant's knowledge, the subscriber's household is not already receiving a Lifeline service; (7) the information contained in the subscriber's application/certification form is true and correct to the best of the subscriber's knowledge; (8) the subscriber acknowledges that providing false or fraudulent information to receive Lifeline benefits is punishable by law; (9) the subscriber acknowledges that he or she may be required to re-certify his or her continued eligibility for Lifeline at any time, and that his or her failure to re-certify as to continued eligibility will result in de-enrollment and the termination of the subscriber's Lifeline benefits; and (10) that the applicant authorizes

Nexus to access any state or federal records or database to verify his or her eligibility, and authorizes Nexus to release any records required for administration of the program.

Nexus has implemented subscriber certification procedures that enable prospective subscribers to demonstrate their Lifeline eligibility by contacting Nexus either in person or by telephone, facsimile, over the Internet, or other electronic transmission. Nexus accepts electronic signatures that meet the requirements of the Electronic Signatures in Global and National Commerce Act, 15 U.S.C. §§ 7001-7006 and any applicable state laws.

Attachment

Sample Marketing Material



CELLULAR PHONE FREE MINUTES & TEXTS

250
anytime rninutes every month!

Receive a FREE Cell
Phone and
250 Minutes
a month for ALL
qualifying
customers!

1-877-870-9444

Reach Out

www.ReachOutWireless.com Wireless
Complians concerning LifetineLinkup service can be directed to the XXXXX
Public Service Commission's Commissions Affairs Unit at XXX-XXX-XXXX

CELLULAR PHONE FREE MINUTES & TEXTS

125

anytime ROLLOVER minutes
every month!
All unused minutes rollover
to the next month!

Receive a FREE Cell
Phone and
125 ROLLOVER
Minutes a
month for ALL
qualifying
customers!

1-877-870-9444 www.ReachOutWireless.com Reach Out

Complaints concerning Utelitie/Linkup service can be directed to the XXXXX Public Service Commission's Commissions Affairs Unit at XXX-XXX-XXXXXX



IMPORTANT INFORMATION concerning Lifeline wireless service

Lifeline is a government dissistiface president. Only one Lifeline service is available plif household. A violation of the one plan household limitation constitutes a violation of the Federal Communication Commissions rules and will result in your desence the program. Your household is not permitted to reache multiple. Lifeline beliefets whether they be from one or multiple companies. This inclodes Wireline and wireless service. Lifeline is a non-transferchile benefit. You may not transfer your service. You must tistivate your service. You must tistivate your service. You must tistivate your service for 60 days you will be de-enrolled. Lifeline is a Federal benefit. Willingly making talse statements to obtain the benefit can result in finels, this assessment, de-annotiment orbaing barred from the program, de-annotiment orbaing barred from the program, customers may enrolli. Proof risk consist of aligible program card or statement benefits.

Nexus Communications Inc.

$\label{eq:compliance Plan} \mbox{and}$ $\mbox{FCC Public Notice Announcing Approval}$

Federal Communications Commission 445 12% St., S.W. Washington, D.C. 20554

News Media Information 202/4488-0500 Internet: http://www.fcc.gov TTY: 1-888-835-6322

DA 12-2063

Release Date: December 26,2012

WIRELINE COMPETITION BUREAU APPROVES THE COMPLIANCE PLANS OF AIRVOICE WIRELESS, AMERIMEX COMMUNICATIONS, BLUE JAY WIRELESS, MILLENNIUM 2000, NEXUS COMMUNICATIONS, PLATINUMTEL COMMUNICATIONS, SAGE TELECOM, TELRITE AND TELSCAPE COMMUNICATIONS

WC Docket Nos. 09-197 and 11-42

The Wireline Competition Bureau (Bureau) approves the compliance plans of nine carriers: AirVoice Wireless, LLC (AirVoice); AmeriMex Communications Corp. (AmeriMex); Blue Jay Wireless, LLC (Blue Jay); Millennium 2000, Inc. (Millennium 2000); Nexus Communications, Inc. (Nexus); PlatinumTel Communications, LLC (PlatinumTel); Sage Telecom, Inc. (Sage); Telrite Corporation (Telrite); and Telscape Communications, Inc. d/b/a Telscape Wireless (Telscape). The compliance plans were filed pursuant to the *Lifeline Reform Order* as a condition of obtaining forbearance from the facilities requirement of the Communications Act of 1934, as amended (the Act), for the provision of Lifeline service. ¹

The Act provides that in order to be designated as an eligible telecommunications carrier (ETC) for the purpose of universal service support, a carrier must "offer the services that are supported by Federal universal service support mechanisms ... either using its own facilities or a combination of its own facilities and resale of another carrier's services" The Commission amended its rules to define voice telephony as the supported service and removed directory assistance and operator services, among other things, from the list of supported services. As a result of these amendments, many Lifeline-only ETCs that previously met the facilities requirement by providing operator services, directory assistance or other previously supported services no longer meet the facilities requirement of the Act. In the Lifeline Reform Order, the Commission found that a grant of blanket forbearance of the facilities requirement,

¹ See Lifeline and Link Up Reform and Modernization et al., WC Docket No.11–42 et al., Report and Order and Further Notice of Proposed Rulemaking, 27 FCC Red 6656, 6816-17, paras. 379-380 (2012) (Lifelime Reform Order). A list of the compliance plans approved through this Public Notice can be found in the Appendix to this Public Notice.

² 47 U.S.C. § 214(e)(1)(A).

³ See Lifeline Reform Order, 27 FCC Red at 6678, para. 47; see also 47 C.F.R. § 54.101(a).

⁴ See Lifeline Reform Order, 27 FCC Red at 6812, para. 366, App. A; Connect America Fund et all, WC Docket 10-90, Order on Reconsideration, 26 FCC Red 17633, 17634-35, para. 4 (2011) (USFIICC Transformation Order on Reconsideration). Some ETCs have included language in their compliance plans indicating that they have facilities or plan to acquire facilities in the future. See, e.g., Blanket Forbearance Compliance Plan, WC Docket Nos. 09-197 and 11-42, Q Link Wireless, LLC's Third Amended Compliance Plan at 4 n. 2 (filed July 30, 2012). To the extent ETCs seek to avail themselves of the conditional forbearance relief established in the Lifeline Reform Order, we presume they lack facilities to provide the supported service under sections 54.101 and 54.401 of the Commission's rules. See 47 C.F.R. §§ 54.101 and 54.401. Such ETCs must comply with the compliance plan approved herein in each state or territory where they are designated as an ETC, regardless of their claim of facilities for other purposes, such as eligibility for state universal service funding.

subject to certain public safety and compliance obligations, is appropriate for carriers seeking to provide Lifeline-only service. Therefore, in the *Lifeline Reform Order*, the Commission conditionally granted forbearance from the Act's facilities requirement to all telecommunications carriers seeking Lifeline-only ETC designation, subject to the following conditions: (1) compliance with certain 911 and enhanced 911 public safety requirements; and (2) Bureau approval of a compliance plan providing specific information regarding the carrier and its service offerings and outlining the measures the carrier will take to implement the obligations contained in the *Order*.

The Bureau has reviewed the nine plans listed in the Appendix for compliance with the conditions of the *Lifeline Reform Order* and now approves those nine compliance plans.⁷

Filings, including the Compliance Plans identified in the Appendix, and comments are available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, telephone: (202) 488-5300, fax: (202) 448-5563, or via email www.bcpiweb.com.

People with Disabilities: To request materials in accessible formats for people with disabilities (Braille, large print, electronic files, audio format), send an email to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at (202) 418-7400 or TTY (202) 418-0484.

For further information, please contact Michelle Schaefer, Telecommunications Access Policy Division, Wireline Competition Bureau at (202) 418-7400 or TTY (202) 418-0484.

-FCC-

⁵ See Lifeline Reform Order, 27 FCC Red at 6813-6817, paras. 368-381.

⁶ See id., 27 FCC Red at 6814,6819, paras. 373,389. Subsequently, the Bureau provided guidance for carriers submitting compliance plans pursuant to the Lifeline Reform Order. Wireline Competition Bureau Provides Guidance ffor the Submission off Compliance Plans Pursuant to the Lifeline Reform Order, WC Docket Nos. 09-197 and 11-42, Public Notice, 27 FCC Red 2186 (Wireline Comp. Bur. 2012).

⁷ The Commission has not acted on any pending ETC petitions filed by these carriers, and this Public Notice only approves the compliance plans of the carriers listed above. While these compliance plans contain information on each carrier's Lifeline offering, we leave it to the designating authority to determine whether or not the carrier's Lifeline offerings are sufficient to serve consumers. See Lifeline Reform Order, 27 FCC Red at 6679-80, 6818-19, paras. 50, 387.

APPENDIX

Petitioner	Compliance Plans As Captioned by Petitioner	Date of Filing	Docket Numbers
AirVoice Wireless, LLC	AirVoice Wireless, LLC's Amended Compliance Plan	December 7, 2012	09-197; 11-42
AmeriMex Communications Corp.	AmeriMex Communications Corp. Revised Compliance Plan	December 6, 2012	09-197; 11-42
Blue Jay Wireless, LLC	Blue Jay Wireless, LLC Compliance Plan	November 30, 2012	09-197; 11-42
Millennium 2000 Inc.	Amended Compliance Plan of Millennium 2000 Inc.	December 18, 2012	09-197; 11-42
Nexus Communications, Inc.	Third Amended Compliance Plan of Nexus Communications, Inc.	December 4, 2012	09-197; 11-42
PlatinumTel Communications, LLC	PlatinumTel Communications LLC's Revised Compliance Plan	December 19, 2012	09-197; 11-42
Sage Telecom, Inc.	Revised Compliance Plan of Sage Telecom, Inc.	December 19, 2012	09-197; 11-42
Telrite Corporation	Telrite Corporation Compliance Plan	November 29, 2012	09-197; 11-42
Telscape Communications Inc. d/b/a Telscape Wireless	Revised Compliance Plan of Telscape Communications, Inc.	December 19, 2012	09-197; 11-42



Suite 800 1919 Pennsylvania Avenue NW Washington, D.C. 20006-34011

Danielle Frappier 202.973.4242 tel. daniellefrappier@dwt.com

VIA ECFS

December 4, 2012

Marlene H. Dortch Secretary Federal Communications Commission 445 12th Street, S.W. Washington, D.C. 20554

Re: WC Dockets 09-197 and 11-42

Third Amended Compliance Plan of Nexus Communications, Inc.

Dear Secretary Dortch:

Pursuant to the Commissiom's Lifeline Reform Order, 1 please find attached the Third Amended Compliance Plan of Nexus Communications, Inc. ("Nexus").

The only edits made to the plan in this third amendment were made on page 12. Specifically, Nexus added the word "Nexus" in the first full sentence on that page, and it also added footnote 21, which reads "[a]II third-party representatives are accountable to Nexus for purposes of compliance with state and federal Lifeline rules."

Nexus respectfully requests expedited approval of its Amended Compliance Plan. Please contact me if you have any questions regarding this filing.

Respectfully submitted,

Danielle Frappier

Lifeline and Link Up Reform and Modernization et al., WC Docket No. 11-42 et al., Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11 (rel. Feb. 6, 2012); Wireline Competition Bureau Provides Guidance for the Submission off Compliance Plans Pursuant to the Lifeline Reform Order, Public Notice, DA 12-314 (WCB rel. Feb. 29, 2012).

Before the Federal Communications Commission Washington, D.C. 20554

In the Matter of

Lifeline and Link Up Reform and Modernization

Telecommunications Carriers Eligible to Receive Universal Service Support

Nexus Communications, Inc. Petition for Designation as an Eligible Telecommunications Carrier for Low Income Support Only WC Docket No. 11-42

WC Docket No. 09-197

THIRD AMENDED COMPLIANCE PLAN OF NEXUS COMMUNICATIONS, INC.

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James W. Tomlinson
Davis Wright Tremaine LLP
1919 Pennsylvania Avenue, N.W., Suite 800
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December 4, 2012

TABLE OF CONTENTS

SI	U M I	MARY	i
Ī.	n	NFORMATION ABOUT NEXUS AND THE LIFELINE PLANS IT OFFERS	. 2
	A.	Company Information	. 2
	B.	Nexus' Financial and Technical Capabilities to Provide Lifeline Service	. 3
	C.	Geographic Area of Nexus' Service Offerings	. 5
	D.	Nexus' Lifeline Service Plans	. 5
	E.	Other Certifications Required by 47 C.P.R. § 54.202	. 7
II. D		EXUS' COMPLIANCE WITH NEW COMMISSION RULES RELATING TO REMINATIONS OF SUBSCRIBER ELIGIBILITY FOR LIFELINE SERVICES	. 8
	A.	Nexus' Procedures to Determine Consumer Eligibility for the Lifeline Program	, 9
	B.	Nexus' Procedures for Subscriber Certifications	11
	C.	Nexus' Procedures for Annual Re-certification of Lifeline Subscribers	15
		EXUS' COMPLIANCE WITH THE FORBEARANCE CONDITIONS RELATING TO IC SAFETY AND 911/E911 ACCESS	
		EXUS' COMPLIANCE WITH THE COMMISSION'S MARKETING AND LOSURE REQUIREMENTS FOR PARTICIPATION IN THE LIFELINE PROGRAM.	17
		EXUS' PROCEDURES AND EFFORTS TO PREVENT WASTE, FRAUD AND SE IN CONNECTION WITH LIFELINE FUNDS	18
V	I. C	ONCLUSION	21

SUMMARY

Nexus Communications, Inc. ("Nexus") hereby seeks to avail itself of the Commission's grant of forbearance from the "own facilities" requirement by submission of this Amended Compliance Plan. Nexus is submitting simultaneously with this Amended Compliance Plan a Second Amendment to its pending Petitions for designation as an ETC. Nexus fully complies with all conditions of the recently-amended Lifeline rules and all pertinent conditions in the Lifeline Reform Order.

Nexus is technically and financially qualified to provide Lifeline service. Nexus became a CLEC in 2001 and received its first ETC designation in 2006. Nexus is designated as an ETC in 26 states and provides wireline service as an ETC in 13 states, and wireless service in 18 states. Nexus is successfully providing Lifeline-supported services and has a steadily increasing subscriber base. Nexus is financially stable and is fully capable of honoring its service obligations. Nexus offers Lifeline subscribers multiple wireless calling plans to choose from, which are detailed herein.

Nexus complies with the requirements pertaining to consumer qualifications for Lifeline set forth in new 47 C.P.R. § 54.409 and any state-specific requirements. More specifically, unless otherwise required under applicable state law, Nexus requires all subscribers to demonstrate eligibility based at least on: (1) household income at or below 135% of the Federal Poverty Guidelines; or (2) the household's participation in one of the federal assistance programs listed in the Commission's rules. Nexus confirms that neither the subscriber nor anyone else in the subscriber's household is subscribed to a Lifeline service. This Amended Compliance Plan describes the procedures by which Nexus: (1) analyzes the eligibility of applicants to obtain Lifeline service; (2) obtains proof of eligibility from applicants; (3) certifies the eligibility of applicants to

certify as to their eligibility to receive Lifeline benefits; and (6) annually re-certifies all Lifeline subscribers. Nexus has included as an exhibit its Lifeline applications forms for wireline and wireless services.

Nexus' practices comply with the 911/E911 access conditions set forth in the *Lifeline Reform Order*. Specifically, Nexus provides its Lifeline subscribers with 911/E911 access at the time Lifeline service is imittiated-regardless of activation status and availability of mimutess- and provides its Lifeline subscribers with E911-compliant handsets. Nexus' practices provide access to 911/E911 services to the extent these services have been deployed by its underlying carrier. Nexus commits to continue these practices going forward.

Nexus has incorporated in its marketing materials for its Lifeline services, in clear, easily understood language, the various disclosures required by 47 C.F.R. § 54.405. Nexus has attached a representative sample of its marketing materials incorporating these disclosures.

Nexus shares the Commission's commitment to minimize waste, fraud and abuse of Lifeline benefits. Accordingly, Nexus has implemented procedures intended to prevent duplicate Lifeline benefits from being awarded to the same household or individual. These measures include practices intended to: (1) prevent duplicates within Nexus' subscriber base; (2) avoid reimbursement for any subscriber until the subscriber activates service; (3) ceasing reimbursement for subscribers who fail to use the service for a 60-day period; and (4) ensuring that Nexus provides only one Lifeline service per household.

As detailed below, Nexus' practices and procedures comply with the Commissiom's applicable Lifeline regulations and orders, and Nexus commits to continuing these practices going forward. Accordingly, Nexus respectfully requests expeditious approval of its pending Petitions and this Amended Compliance Plan.

Before the Federal Communications Commission Washington, D.C. 20554

In the Matter of

Lifeline and Link Up Reform and Modernization

Telecommunications Carriers Eligible to Receive Universal Service Support

Nexus Communications, Inc. Petition for Designation as an Eligible Telecommunications Carrier for Low Income Support Only WC Docket No. 11-42

WC Docket No. 09-197

AMENDED COMPLIANCE PLAN OF NEXUS COMMUNICATIONS, INC.

Nexus Communications, Inc. ("Nexus"), through its undersigned counsel, hereby seeks to avail itself of the Federal Communications Commission's ("Commission") grant of forbearance from the "own facilities" requirement set forth in 47 U.S.C. § 214(e)(1)(A) by submission of this Amended Compliance Plan. Nexus' Amended Compliance Plan is filed in accordance with the procedures established in the *Lifeline Reform Order* and clarified the *Public Notice* issued by the Wireline Competition Bureau on February 29, 2012. Nexus is submitting simultaneously

¹ Lifeline and Link Up Reform and Modernization et al., WC Dockets No. 11-42 et al., Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11 (FCC, rel. Feb. 6, 2012) ("Lifeline Reform Order"). Nexus believes that there may still exist a good faith basis for it to continue to operate as a facilities-based carrier. Under the Commission's recently amended regulations governing the Lifeline program, however, it appears that retaining its facilities-based status no longer provides any material benefits to Nexus or its subscribers. Should this change in the future, Nexus reserves the right to seek relief from the Commission to reinstate its status as a facilities-based carrier under applicable federal law. Nonetheless, Nexus acknowledges that its Amended Compliance Plan, once approved by the Commission, will apply in all states even if Nexus is deemed to operate as a facilities-based carrier in certain state(s).

² Wireline Competition Bureau Provides Guidance for the Submission of Compliance Plans Pursuant to the Lifeline Reform Order, Public Notice, DA 12-314 (WCB, rel. Feb. 29, 2012) ("Public Notice").

with this Amendment Compliance Plan a Second Amendment³ to its pending Petitions for designation as an eligible telecommunications carrier ("ETC").⁴

Nexus respectfully requests expeditious approval of its Petitions and its Amended Compliance Plan so it may continue to provide essential Lifeline service to eligible low-income subscribers in states where it currently operates and may provide eligible low-income consumers Lifeline wireless service options in additional states in the future. Nexus also requests expeditious approval of its Amended Compliance Plan because the company has filed an application to participate in the Commission's Lifeline Broadband Pilot Program.

As set forth below, Nexus fully complies with all conditions set forth in the Commissiom's recently-amended Lifeline rules and with all pertinent conditions set forth in the Lifeline Reform Order. This Amended Compliance Plan describes the measures Nexus has implemented in order to achieve full compliance with the Commissiom's Lifeline rules and policies, and Nexus commits to continuing these practices going forward. For the convenience of the Commission, this Amended Compliance Plan follows the format established by the Wireline Competition Bureau in the Public Notice.

I. INFORMATION ABOUT NEXUS AND THE LIFELINE PLANS IT OFFERS

A. Company Information

Nexus is 100% owned by Steven Fenker, Nexus' President. It is organized under Ohio law and is headquartered in Columbus, Ohio. Nexus has no holding company. Nexus owns

³ Nexus Communications, Inc. Petition for Designation as an Eligible Telecommunications Carrier for Low Income Support Only, Second Amendment to Petitions, WC Docket No. 09-197 (filed August 3, 2012).

⁴ Petition off Nexus Communicationss, Inc. for Designation as an Eligible Telecommunications Carrier for Low Income Support Only, Petition, W@ Docket No. 09-197 (filed April S, 2011; amended April 24, 2012 and further amended August 3, 2012); Petition off Nexus Communicationss, Inc. for Designation as an Eligible Telecommunications Carrier for Low Income Support Only, Petition, W@ Docket No. 09-197 (filed June 3, 2011; amended April 24, 2012 and further amended August 3, 2012).

100% of Telecom Services, Inc., but that company does not provide telecommunications services.

Nexus operates its wireline business under the names TSI and TSI Telephone Company, and operates its wireless business under the name ReachOut Wireless.⁵

B. Nexus' Financial and Technical Capabilities to Provide Lifeline Service

Nexus has been in business since 2000. Nexus became a competitive local exchange carrier in 2001 and received its first ETC designation in June 2006. Nexus now focuses on providing service to low-income consumers. Nexus initially began providing its services over wireline technology, and has responded to strong subscriber demand by offering wireless technology as well. Nexus was one of the first telecommunications providers to recognize the low-income market segment as a business opportunity rather than a regulatory burden. Its success in the market is based on its willingness to tailor its services to the specific needs of low-income consumers, including the budget management tools and mobility that prepaid wireless services provide.

Nexus has been designated as an ETC in a total of 26 states.⁶ It provides wireline service as an ETC in 13 states,⁷ and wireless service as an ETC in 18 states.⁸ Nexus does not seek, and

Nexus' wireline facilities differ from its wireless operations and Nexus believes that its wireline facilities continue to meet the "own facilities" requirements of 47 U.S.C. § 214(e)(1)(A) even after the recent Commission orders and amendments to the statute implementing regulation found at 47 C.F.R. § 54.101. Nevertheless, there is now little practical difference between having facilities-based and forbearance status. In light of the foregoing and the fact that Nexus is a single entity with both wireline and wireless operations, Nexus has determined that for purposes of its own administrative convenience, it seeks forbearance for all of Nexus' operations—both wireline and wireless.

⁶ Those states are Alabama, Arkansas, California, Florida, Georgia, Illinois, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Michigan, Mississippi, Missouri, Nevada, New Jersey, North Carolina, Ohio, Oklahoma, Rhode Island, South Carolina, Tennessee, Texas, West Virginia and Wisconsin.

Those states are Alabama, Arkansas, Illinois, Kansas, Louisiana, Michigan, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas and Wisconsin. Although Nexus has been designated a wireline ETC in Florida and Kentucky, it currently only provides services on a resold basis in these states. In other words, Nexus resells the wireline services of an ILEC, which passes through a Lifeline discount on the wholesale line it sells to Nexus. Nexus does not file FCC Form 497s for its

will not accept, High Cost support in any of those states. Nexus is successfully providing Lifeline supported services in these states and has a steadily increasing subscriber base. Nexus' management has many years of experience in the telecommunications industry. Nexus' President Steven Fenker has held management positions in the telecommunications industry for 28 years. Also part of the Nexus' senior management team is Mark Deek, who has 15 years of experience in the telecommunications industry, with particular expertise in intercarrier relations, and subscriber care and billing database management.

In order to provide wireless Lifeline services, Nexus purchases wireless minutes from a national carrier (Verizon Wireless) that is widely-recognized for the quality and reliability of its wireless network. Nexus supplements this robust wireless network with its own network facilities, back-office and operations support systems, which Nexus operates and are ideally suited to serve lower revenue subscribers. Nexus has made a significant financial investment to evaluate, design, develop and integrate these systems. With respect to this network investment, Nexus owns and operates its own switching and other facilities located in the state of Ohio, which are housed in a Tier IV co-location facility.

Nexus has good relationships with the commissions in the states in which it operates. Moreover, Nexus is financially stable and fully capable of honoring its service obligations to subscribers and federal and state regulatory obligations. Although Nexus currently derives the

Florida and Kentucky.

wireline operations in these states. Nevertheless, Nexus seeks forbearance for its ETC designations in

Those states are Arkansas, California, Georgia, Iowa, Illinois, Kansas, Louisiana, Maine, Maryland, Michigan, Mississippi, Missouri, Nevada, New Jersey, Ohio, Rhode Island, West Virginia and Wisconsin. ⁹ Because Nexus owns and operates its own network facilities, Nexus reserves the right to demonstrate to a state public utilities commission that it provides service using its own facilities in a state for purposes of a state-level universal service funding under state program rules and requirements. Nonetheless, as explained in note 1, Nexus acknowledges that its Amended Compliance Plan, once approved by the Commission, will apply in all states even if Nexus is deemed to operate as a facilities-based carrier in certain state(s).

majority of its revenue from the sale of prepaid wireless services, Nexus does not rely exclusively on disbursements from the Lifeline program to operate. For example, Nexus derives additional revenue from the sale of wireline and wireless services to non-Lifeline subscribers, and the sale of optional replenishment airtime and text minutes.

C. Geographic Area of Nexus' Service Offerings

Nexus first began providing wireline ETC service in the second quarter of 2006 and the company now provides this service in the following states: Alabama, Arkansas, Illinois, Kansas, Louisiana, Michigan, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas and Wisconsin. Further, it provides wireline Lifeline service on a resold basis in Florida and Kentucky.¹⁰

In the second quarter of 2009, Nexus began to offer wireless services in recognition of the high demand for such services in the communities it services. Consumers indicated a strong preference for mobile wireless services and Nexus has worked to satisfy this demand by growing and investing in wireless technology. Nexus' wireless offerings have been very successful with low-income consumers and the company now provides prepaid wireless ETC service in the following states: Arkansas, California, Georgia, Iowa, Illinois, Kansas, Louisiana, Maine, Maryland, Michigan, Mississippi, Missouri, Nevada, New Jersey, Ohio, Rhode Island, West Virginia and Wisconsin.¹¹

D. Nexus' Lifeline Service Plans

Nexus offers the following prepaid wireless service plans for its Lifeline subscribers:

¹⁰ See supra note 7. Nexus will comply with the requirements listed at the newly-revised 47 C.F.R. § 54.417(c) for resellers for its resale operations in Florida and Kentucky. To the extent that Nexus avails itself of its ETC status in these states, it will comply with all applicable Commission rules.

Nexus received wireless ETC authority in Oklahoma on March 21, 2012. However, Nexus does not intend to launch wireless service in Oklahoma until it has secured approval of its Amended Compliance Plan from the Commission.

250 Minute Plan (non-rollover) (all states except California): Minutes are "anytime" minutes and can be used for domestic calls, including local or intrastate/interstate long distance calls. Unused minutes or domestic Short Message Service ("SMS") text messages do not carry over to the following month. SMS text messaging is available at a rate of one text per minute of airtime.

125 Minute Plan (rollover) (all states except California): Minutes are "anytime" minutes and can be used for domestic calls, including local or intrastate/interstate long distance calls. Unused minutes or domestic SMS text messages carry over to the following month. SMS text messaging is available at a rate of one text per minute of airtime.

68 Minute Plan (rollover) (all states except California): Minutes are "anytime" minutes and can be used for domestic calls, including local or intrastate/interstate long distance calls. Unused minutes or domestic SMS text messages carry over to the following month. Domestic SMS text messaging is available at a rate of two text messages per each minute of airtime. Nexus does not actively market the 68 Minute Plan and, although technically still available to subscribers because it was part of the offerings approved by the relevant state commissions, it is rarely selected except by a few subscribers who infrequently use voice service and more frequently send text messages.

<u>California 250 Minute Plan</u>: Minutes are "anytime" minutes and can be used for domestic calls, including local or intrastate/interstate long distance calls. Unused minutes or SMS text messages do not carry over to the following month. Domestic SMS text messaging is available at a rate of one text message per each minute of airtime. There is a minimum out-of-pocket charge of \$2.50 per month.

<u>California 500 Minute Plan</u>: Minutes are "anytime" minutes and can be used for domestic calls, including local or intrastate/interstate long distance calls. Unused minutes or SMS text messages do not carry over to the following month. Domestic SMS text messaging is available at a rate of one text message per each minute of airtime. There is a minimum out-of-pocket charge of \$5.00 per month.

California 1000 Minute Plan: Minutes are "anytime" minutes and can be used for domestic calls, including local or intrastate/interstate long distance calls. Unused minutes or SMS text messages do not carry over to the following month. Domestic SMS text messaging is available at a rate of one text message per each minute of airtime. There is a minimum out-of-pocket charge of \$20.00 per month.

All plans include at no extra charge one E911-compliant handset and "anytime" nationwide minutes that can be used for domestic calls, including local or intrastate/interstate long distance calls.

Nexus' Lifeline subscribers in states other than California may purchase additional minutes on a prepaid basis in denominations of \$3.00 (20 minutes), \$5.00 (40 minutes), \$10.00

(120 minutes), \$20.00 (300 minutes), \$30.00 (500 minutes) and \$50.00 (950 minutes). Nexus also offers an unlimited talk and text additional airtime card. This card provides unlimited local and domestic long distance calling, and unlimited text messaging for thirty (30) calendar days. The cost to Lifeline subscribers is \$26.50.

Nexus' California subscribers may purchase additional minutes on a prepaid basis in denominations of \$3.00 (91 minutes), \$5.00 (152 minutes), \$10.00 (304 minutes), \$20.00 (607 minutes), \$30.00 (910 minutes) and \$50.00 (1,516 minutes), all billed at \$0.033 per minute. All minutes are valid for 30 days from date of replenishment. Nexus' California subscribers may also purchase the unlimited talk and text additional airtime card.

International SMS text messaging is available at a rate of \$0.20 for each international text sent or received. The rate for directory assistance calls is \$1.50 per request. Nexus permits Lifeline subscribers to block international calls at no additional charge. There is no deduction of minutes for calls to 911 or Nexus' subscriber service department.

Calls from the handset for checking or retrieving voicemails count against the voice minutes provided by the plan. Calls from a source other than the handset checking or retrieving voicemail messages and incoming calls that leave a voicemail message are free to Nexus subscribers. Calls to 911 emergency services are always free, and may be made regardless of service activation or availability of minutes.

E. Other Certifications Required by 47 C.F.R. § 54.202

The *Public Notice* requires carriers to include certifications required under recently amended 47 C.P.R. § 54.202. Nexus hereby certifies that it does and will continue to comply with the service requirements applicable to the support it receives. ¹² Specifically, Nexus' Lifeline services: (i) include voice telephony services that provide voice grade access to the

¹² 47 C.F.R. § 54.202(a)(1).

public switched network or its functional equivalent; (ii) provide subscribers with a defined number of minutes of usage for local service at no additional charges, as described above in Section I(ID); (iii) provide subscribers with access to the emergency services provided by local government or other public safety organizations, such as 911/E911 to the extent the local government in Nexus' service area has implemented 911/E911 systems, as described below in Section III; and (iv) toll limitation for qualifying low-income consumers. ¹³

II. NEXUS' COMPLIANCE WITH NEW COMMISSION RULES RELATING TO DETERMINATIONS OF SUBSCRIBER ELIGIBILITY FOR LIFELINE SERVICES

Nexus complies with the requirements pertaining to consumer qualifications for Lifeline set forth in section 54.409 of the Commission's rules 14 and any state-specific requirements in the various states in which Nexus has been (or will be) designated an ETC. More specifically, Nexus requires all subscribers to demonstrate eligibility based at least on: (1) household income at or below 135% of the Federal Poverty Guidelines for a household of that size; or (2) the household's participation in one of the federal assistance programs listed in 47 C.F.R. § 54.409(a)(2) or 47 C.F.R. § 54.409(a)(3). Nexus also confirms that the subscriber is not already receiving a Lifeline service and that no one else in the subscriber's household is subscribed to a Lifeline service. 15

Toll limitation means both toll blocking and toll control, or, if a carrier is not capable of providing both toll blocking and toll control, then toll limitation is defined as either toll blocking or toll control. Nexus will meet the requirement to provide toll limitation to Lifeline subscribers by offering service on a prepaid, or pay-as-you-go, basis, as well as toll blocking for international calls. As the Commission found in its grant of ETC designation to Virgin Mobile, "the prepaid nature of [a prepaid wireless carrier's] service offering works as an effective toll control." Virgin Mobile USA, L.P. Petition for Forbearance from 47 U.S.C. § 214(e)(1)(A), Order, 24 FCC Red 3381, 3394 at ¶ 34 (2009). Moreover, Nexus will provide traditional toll blocking for international calls to qualiffying low-income consumers at no additional charge. Nexus also provides its users with the ability to monitor their minute usage and balance as an additional means of controlling their communications budget.

14 47 C.F.R. § 54.509.

¹⁵ 47 C.F.R. § 54.409(c).

Nexus uses a variety of outreach programs for its Lifeline supported services, which include direct mail, Internet advertising, and radio and television advertising. Nexus also reaches potential subscribers through retail marketing, including kiosks and point-of-sale promotional materials located in third-party retail establishments, as well as one retail establishment owned by Nexus. Each channel is intended to induce potential subscribers to contact Nexus either in person, over the Internet or by telephone. Although the logistics of the enrollment process varies somewhat for each channel as is further described below, in all cases, Lifeline applicants are thoroughly screened to ensure that they are qualified before a handset is delivered.

A. Nexus' Procedures to Determine Consumer Eligibility for the Lifeline Program

Analysis of Lifeline Eligibility. If Nexus cannot determine an applicant's eligibility for Lifeline by accessing income or program eligibility databases, Nexus personnel (either employees, third-party subscriber service representatives or authorized agents in third-party retail establishments) review documents to establish eligibility in accordance with the criteria set forth in 47 C.F.R. § 54.409. All Nexus personnel who interact with existing Lifeline subscribers or Lifeline applicants have been fully trained in assisting Lifeline applicants with Lifeline eligibility. All Nexus personnel and authorized third-party representatives have been trained to answer questions about Lifeline requirements, and how to review required documentation to determine whether it satisfies the *Lifeline Reform Order* and state-specific eligibility requirements using state specific checklists. That being said, the final review and determination of the sufficiency of documentation is conducted by Nexus employees or authorized agents directly trained by Nexus employees. All Nexus personnel and authorized third-party representatives involved in enrolling Lifeline applicants have been trained on the Commission's

revised Lifeline eligibility rules and Nexus' practices and policies designed to implement these new rules.

Proof of Lifeline Eligibility. Nexus follows the Commission's requirements pertaining to acceptable documentation to establish eligibility based either on income level or participation in a qualified government assistance program. Specifically, acceptable documentation of program eligibility includes: (1) the current or prior year's statement of benefits from a qualifying state, federal or Tribal program; (2) a notice letter of participation in a qualifying state, federal or Tribal program; (3) program participation documents (e.g., the consumer's Supplemental Nutrition Assistance Program ("SNAP") electronic benefit transfer card or Medicaid participation card (or copy thereof); or (4) another official document evidencing the consumer's participation in a qualifying state, federal or Tribal program. 16 documentation of income eligibility includes: (1) the prior year's state, federal, or Tribal tax return; (2) current income statement from an employer or paycheck stub; (3) a Social Security statement of benefits; (4) a Veterans Administration statement of benefits; (5) a retirement/pension statement of benefits; (6) an Unemployment/Workers' Compensation statement of benefit; (7) federal or Tribal notice letter of participation in General Assistance; (8) or a divorce decree, child support award, or other official document containing income information. If the applicant presents Nexus with documentation of income that does not cover a full year, the applicant must present the same type of documentation covering three consecutive months within the previous twelve months. 17

Nexus subscribers may provide the documentation in person, via fax or e-mail, or they may mail copies to Nexus. Nexus maintains detailed, accurate records identifying the data

Lifeline Reform Order at ¶ 101.
 47 C.F.R. § 54.410(b)(1)(i)(B).

source used to determine a subscriber's eligibility or the documentation the subscriber provided to demonstrate eligibility for Lifeline. The specifically-trained personnel in charge of reviewing all incoming Lifeline applications examine and electronically record in its subscriber service and billing database the type of documentation presented by each prospective Lifeline subscriber, ¹⁸ including the date of review, the identity of the documentation, the type of media (*e.g.*, paper, electronic card, etc.), and the issuance and/or expiration date of the documentation. Nexus' database includes separate data entry fields for this information, eliciting a response for each type of information, and will reject the order if any such field is not completed. If an applicant is unable to provide documentary proof of eligibility based on either household income level or current participation in a qualified program, Nexus denies that application.

B. Nexus' Procedures for Subscriber Certifications

In the *Lifeline Reform Order*, the Commission established a path for a transition to a national, governmental database that will be used to confirm the initial and continued eligibility of a Lifeline applicant or subscriber. ¹⁹ Nexus will utilize that database when it becomes operational. ²⁰ Until that time, however, Nexus will continue to adhere to the following procedures for enrolling prospective subscribers into the Lifeline program.

Nexus has implemented certification procedures that enable prospective subscribers to demonstrate their eligibility by contacting Nexus either in person or by telephone, facsimile, over the Internet, or other electronic transmission. The personnel involved in enrolling Lifeline applicants verbally recite the certifications to Lifeline applicants where when enrolling in person

¹⁸ 47 C.F.R. § 54.410(b))(I)(iii)-(iii); 47 C.F.R. § 54.410(c)(1)(iii)-(iii).

¹⁹ See Lifeline Reform Order at ¶ 403.

On its new certification forms that were revised to encompass the requirements of the Commission's *Lifeline Reform Order*, Nexus obtains consent from each applicant to provide "any records required" for the administration of the Lifeline program including so that such information may be used in a Lifeline database. In order to ensure that it has the same consent from subscribers that applied using prior Nexus forms, Nexus has included nearly identical language on its annual re-certification forms and scripts.

or over the phone. In any retail locations (except those with kiosks), Nexus' authorized thirdparty representatives²¹ initially examine the qualifying documentation in person (which
documentation will be forwarded to Nexus personal specifically trained in reviewing Lifeline
qualifying documentation for further review) or, if the applicant does not have the documentation
at the time, direct the applicant to supply the documentation via fax, mail or email. All
applicants who do not have the requisite documentation at the time are informed that their
Lifeline application will not be processed until the applicant provides the required documentary
proof of eligibility. Prospective subscribers who do not complete Nexus' Lifeline Application in
person must return the signed document and eligibility documentation to Nexus by mail,
facsimile, electronic mail or other electronic transmission. Nexus accepts electronic signatures
that meet the requirements of the Electronic Signatures in Global and National Commerce Act,
15 U.S.C. §§ 7001-7006 and any applicable state laws.²²

Each prospective subscriber is required to complete and sign Nexus' "Lifeline Application." Samples of this document are provided as Exhibit I. Nexus has modified its Lifeline Application as necessary for use in certain states that have specific requirements, such as additional qualifying programs, but the operative language of Exhibit 1 will remain constant. Nexus's Lifeline Application conforms to the requirements of the *Lifeline Reform Order*, 47 C.P.R. § 54.410(d) and 47 C.P.R. § 54.405.

<u>Information Collected.</u> Nexus collects the following information from prospective subscriber in its Lifeline Application form: (1) the subscriber's full name; (2) the subscriber's full residential address (P.O. Boxes are not permitted); (3) whether the residential address is permanent or temporary; (4) the subscriber's billing address, if different; (5) the subscriber's date

²¹ All third-party representatives are accountable to Nexus for purposes of compliance with state and federal Lifeline rules.

²² See Lifeline Reform Order at ¶ 168; 47 C.F.R. § 54.419.

of birth; (6) the last four digits of the subscriber's Social Security number (or Tribal identification number if the subscriber is a member of a Tribal nation and does not have a Social Security number²³); (7) if the subscriber is seeking to qualify for Lifeline under the programbased criteria, the name of the qualifying assistance program from which the subscriber, or his or her dependents, or his or her household receives benefits; and (8) if the subscriber is seeking to qualify for Lifeline under the income-based criterion, the number of individuals in his or her household.²⁴

Applicant Certifications. In accordance with 47 C.F.R. § 54.410(d), in its Lifeline Application, Nexus requires all Lifeline applicants to certify, under penalty of perjury, that: (1) the subscriber meets the income- or program-based eligibility criteria for receiving Lifeline; (2) the subscriber will notify Nexus within 30 days if, for any reason, he or she no longer satisfies the criteria for receiving Lifeline including, as relevant, if the applicant no longer meets the income- or program-based criteria for receiving Lifeline support, the subscriber is receiving more than one Lifeline benefit, or another member of the subscriber's household is receiving a Lifeline benefit; (3) if the subscriber is seeking to qualify for Lifeline as an eligible resident of Tribal lands, that he or she lives on Tribal lands; (4) if the subscriber moves to a new address, that he or she will provide that new address to Nexus within 30 days; (5) if the subscriber provided a temporary residential address to Nexus, the subscriber will be required to verify his or her temporary residential address every 90 days; (6) the subscriber's household will receive only one Lifeline service and, to the best of the applicant's knowledge, the subscriber's household is not already receiving a Lifeline service; (7) the information contained in the subscriber's

²³ Nexus will only include language regarding a Tribal identification number on forms used in states with Tribal areas.

²⁴ 47 C.F.R. § 54.410(d)(2).

²⁵ Because Nexus' designated service includes only two states with Tribal lands (Oklahoma and Rhode Island), only Nexus' Lifeline Application specifically for those states include this certification.

application/certification form is true and correct to the best of the subscriber's knowledge; (8) the subscriber acknowledges that providing false or fraudulent information to receive Lifeline benefits is punishable by law; and (9) the subscriber acknowledges that he or she may be required to re-certify his or her continued eligibility for Lifeline at any time, and that his or her failure to re-certify as to continued eligibility will result in de-enrollment and the termination of the subscriber's Lifeline benefits, and (10) that the applicant authorizes Nexus to access any state or federal records or database to verify his or her eligibility, and authorizes Nexus to release any records required for administration of the program, including to USAC to be used in the national Lifeline database and that failure to so authorize Nexus will result in a denial of Lifeline benefits.²⁶ The Lifeline Application also describes the information that is transmitted, that the information is being transmitted to USAC to ensure the proper administration of the Lifeline program and that failure to provide consent will result in the applicant being denied the Lifeline service. Prospective applicants must affirmatively certify to each of these certifications in order for the application process to move forward, including those applying online. For those applying online, Nexus' website does not permit the applicant to submit the application unless all certifications have been completed. Subscribers also may certify via interactive voice response ("IVR"), which is then saved as a recorded file and saved in the subscriber's account in Nexus' subscriber care and billing system.

In accordance with 47 C.F.R. § 54.410(d)(1), Nexus' Lifeline Application discloses the following information: (1) Lifeline is a federal benefit and willfully making false statements to obtain the benefit can result in fines, imprisonment, de-enrollment or being barred from the program; (2) only one Lifeline service is available per household; (3) a household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at

²⁶ See Exhibit 1.

the same address and share income and expenses; (4) a household is not permitted to receive Lifeline benefits from multiple providers; (5) violation of the one-per-household limitation constitutes a violation of the Commission's rules and will result in the subscriber's de-enrollment from the program; and (6) Lifeline is a non-transferable benefit and the subscriber may not transfer his or her benefit to any other person.²⁷

Finally, in accordance with 47 C.F.R. § 54.405(c), Nexus' Lifeline Application indicates, using easily understood language, (1) that the service is a Lifeline service; (2) that Lifeline is a government assistance program; (3) that the service is non-transferrable; (4) that only eligible consumers may enroll in the program; and (5) that the program is limited to one discount per household.²⁸

C. Nexus' Procedures for Annual Re-certification of Lifeline Subscribers

In accordance with the requirements of the *Lifeline Reform Order* and 47 C.F.R. § 54.410(f), Nexus annually recertifies all of its Lifeline subscribers by either (1) querying the appropriate eligibility or income databases, confirming that the subscriber continues to meet the program- or income-based eligibility requirements for Lifeline and documenting the results of that review, or (2) obtaining a signed certification from the subscriber that meets the certification requirements set forth in 47 C.F.R. § 54.410(d). Nexus' annual re-certification form includes a confirmation from the subscriber that the applicant's household receives only one Lifeline benefit and, to the best of the subscriber's knowledge, the subscriber's household is receiving no more than one Lifeline benefit. Additionally, Nexus' re-certification materials inform the subscriber that he or she is being contacted to re-certify his or her continuing eligibility for Lifeline and if the subscriber fails to respond, he or she will be de-enrolled in the program.

²⁷ Md.

²⁸ Id.

For 2012, Nexus began re-certifying the eligibility of its Lifeline subscriber base on June 1, 2012 on a rolling basis. Nexus will complete this process by the end of 2012 and will report the results to USAC by January 31, 2012.²⁹ Nexus will notify its subscribers in writing that a failure to respond to the re-certification request will result in de-enrollment in the Lifeline program.³⁰ Nexus will de-enroll subscribers who do not respond to the annual re-certification or fail to provide proof of continued eligibility in accordance with the procedures set forth in 47 C.P.R. \S 54.405(e)(4).

III. NEXUS' COMPLIANCE WITH THE FORBEARANCE CONDITIONS RELATING TO PUBLIC SAFETY AND 911/E911 ACCESS

Nexus' practices comply with the 911/E911 access conditions set forth in paragraph 373 of the Lifeline Reform Order. Specifically, Nexus: (1) provides its Lifeline subscribers with 911/E911 access at the time Lifeline service is initiated, regardless of activation status and availability of minutes, and (2) provides its Lifeline subscribers with E911-compliant handsets and replaces, at no additional charge to the subscriber, noncompliant handsets of Lifeline-eligible subscribers who obtain Lifeline-supported services. Nexus' practices provide access to 911/E911 services to the extent that these services have been deployed by its underlying wireless carrier. Nexus commits to continue these practices going forward.

Nexus will provide its Lifeline subscribers with access to 911/E911 services immediately upon activation of service. The Commission and consumers are assured that all Nexus subscribers will have available access to emergency calling services at the time that Lifeline service is initiated, and that such 911/E911 access will be available from Nexus handsets even if the account associated with the handset has no minutes remaining.

²⁹ Lifeline Reform Order at \P 130. ³⁰ Id. at \P 142.

Nexus' existing practices currently provide access to 911/E911 services for all subscribers. Nexus uses Verizon Wireless as its underlying network carrier. Verizon Wireless routes 911 calls from Nexus' subscribers in the same manner as 911 calls from Verizon Wireless' own retail subscribers. To the extent that Verizon Wireless is certified in a given PSAP territory, this 911 capability functions in the same manner for Nexus and its subscribers. Nexus also currently enables 911 emergency calling services for all properly activated handsets regardless of whether the account associated with the handset is active or suspended.

Nexus will ensure that all handsets used in connection with its Lifeline service offering will be E911-compliant. Indeed, Nexus' handsets have always been E911-compliant. All Nexus handsets undergo a thorough quality inspection by Nexus prior to being distributed to subscribers. All Nexus handsets are required to meet Nexus' handset specifications, which ensure that the handset models meet all E911 requirements. As a result, any existing Nexus subscriber that qualifies for and subsequently elects Lifeline service will already have an E911-compliant handset provided by Nexus. Additionally, any new subscriber that qualifies for and enrolls in Nexus' Lifeline program is assured of receiving an E911-compliant handset as well, free of charge.

IV. NEXUS' COMPLIANCE WITH THE COMMISSION'S MARKETING AND DISCLOSURE REQUIREMENTS FOR PARTICIPATION IN THE LIFELINE PROGRAM

Nexus has incorporated into its marketing materials for its Lifeline services, in clear, easily understood language: (I) that the service and supported by Lifeline, a government program; (2) that only eligible consumers may enroll in the program; (3) what documentation is necessary for enrollment; (4) that the benefit is limited to one per household and is non-transferrable; (5) that consumers who willfully make false statements in order to obtain the

benefit can be punished by fine or imprisonment or can be barred from the program.³¹ Nexus also discloses its name (the ETC) on all marketing materials.³² A representative sample of Nexus' revised marketing materials incorporating these disclosures is attached as Exhibit 2.

NEXUS' PROCEDURES AND EFFORTS TO PREVENT WASTE, FRAUD AND V. ABUSE IN CONNECTION WITH LIFELINE FUNDS

Nexus shares the Commission's commitment to minimize waste, fraud and abuse of Lifeline benefits. According, Nexus has implemented a variety of measures and procedures intended to prevent duplicate Lifeline benefits from being awarded to the same household or individual.

Prevention of Duplicates within Nexus' Subscriber Base. Lifeline applications to Nexus that are preliminarily deemed eligible are submitted to a data entry process, including verifying the address against the United States Postal Service database file of valid U.S. addresses. A Lifeline applicant's address, name, and the last four digits of his or her social security number are then queried against all of Nexus' active Lifeline subscribers (both wireline and wireless), in all states in which Nexus operates. If it is found that Nexus is already providing Lifeline service to the same subscriber or household, the application is rejected. Nexus commits to continuing these practices going forward.

Service Activation. Nexus ships handsets to qualified subscribers using FedEx's SmartPost delivery service and retains written confirmation that delivery was completed. Nexus does not seek reimbursement for Lifeline service for any subscriber until the subscriber activates the service, which may be done by taking such actions as dialing an outbound call.³³ Nexus will use the date of this first completed outbound call from its call records as the subscriber's

 $^{^{31}}$ Lifeline Reform Order at ¶ 275; 47 C.F.R. § 54.405(c). Lifeline Reform Order at ¶ 275; 47 C.F.R. § 54.405(d).

³³ Currently, the only form of activation that Nexus accepts is the placement of an outbound call.

effective start date for the purposes of determining the subscriber's enrollment date in the Lifeline program.

Non-Usage Policy. From the beginning of its wireless operations in 2009, Nexus voluntarily adopted a policy whereby a subscriber who has not used his or her handset within 60 days is de-enrolled from the Lifeline program (after a 30-day notice period). Upon deenrollment, Nexus ceases seeking Lifeline reimbursements for that subscriber. Nexus' non-usage policy ensures that only subscribers who actually utilize their wireless service continue to receive Lifeline-subsidized service, and that Nexus only receives Lifeline support for those subscribers who remain enrolled in the program. Nexus commits to continuing this practice in conformance with the requirements of 47 C.F.R. § 54.405(e)(3).

Specifically, after 60 days of non-use,³⁴ Nexus provides notice to the subscriber that failure to use the Lifeline service or provide other confirmation to Nexus that the subscriber wishes to retain his or her Lifeline service within 30 days from the date of the de-enrollment notice will result in de-enrollment from the Lifeline program.³⁵ Nexus will not request further Lifeline reimbursement for any de-enrolled subscriber and Nexus will report annually to the Commission the number of subscribers de-enrolled for non-usage by month.³⁶

<u>De-Enrollment and Disconnection</u>. Nexus subscribers may easily de-enroll from Lifeline or disconnect their service altogether. There is a link on the home page of Nexus' website www.reachoutmobile.com for de-enrollments and disconnections. This link permits subscribers to de-enroll from Lifeline and either subscribe to a non-Lifeline service or cancel

³⁴ Subscribers can "use" the service by: (1) completing an outbound call; (2) purchasing minutes from Nexus to add to the subscriber's plan; (3) answering an incoming call from a party other than Nexus; or (4) responding to a direct contact from Nexus confirming that the subscriber wants to continue receiving the service. 47 C.F.R. § 54.407(c)(2).

³⁵ 47 C.F.R. § 54.405(e)(3).

³⁶ 47 C.F.R. § 54.405(e)(3).

their service altogether. Subscribers may also de-enroll or disconnect their service by calling Nexus' customer service call center.

One Per Household Rule. Nexus has implemented policies and practices in accordance with the Commission's rules and the Lifeline Reform Order to ensure that it provides only one Lifeline service per household. As described above, Nexus has already implemented procedures to ensure that Nexus itself only provides one Lifeline service per household. When the National Lifeline Accountability Database becomes available, Nexus will fully comply with the requirements of 47 C.F.R. § 54.404 and utilize the database to determine if an applicant is currently receiving Lifeline benefits from another carrier or if another person residing at the applicant's residential address is receiving Lifeline benefits. Nexus also will retain the following data: the date Nexus queried the duplicates database; the date and information Nexus transmitted to the database; the date of transmission of updated subscriber information to the database; the date of transmission of subscriber de-enrollment to the database; the date and database upon which Nexus determined income-based eligibility; state Lifeline administrator documentation of subscriber eligibility, and subscriber's certification of eligibility; the notice of program-certification and subscriber self-certification, when performed by a state agency or state Lifeline administrator.

Nexus has also instructed its customer service representatives to explain the one-per-household requirement to prospective and existing subscribers, including explaining that the brands Safelink Wireless, Assurance Wireless, i-wireless, Stand-Up Wireless, Budget Mobile and TAG Mobile are Lifeline services. If Nexus has a reasonable basis to believe that one of its Lifeline subscribers no longer meets the eligibility criteria, for example, due to a violation of the one-per-household rule, Nexus initiates its termination process in accordance with the procedures

set forth in 47 C.F.R. § 54.405(e)(1). Nexus will also maintain the results of each state administrator's certification efforts for each subscriber in that state where a state administrator or agency is responsible for re-certification and where a state has been unable to re-certify a subscriber, Nexus will keep the record and comply with the relevant de-enrollment procedures.

VI. CONCLUSION

Nexus submits that the foregoing Amended Compliance Plan fully satisfies the conditions set forth in the *Lifeline Reform Order*, the *Public Notice* and in the Commission's rules pertaining to Lifeline. Accordingly, Nexus respectfully requests expeditious approval of its pending ETC Petitions and this Amended Compliance Plan so that Nexus may continue to provide essential Lifeline service to eligible low-income subscribers in states where it currently operates and may provide eligible consumers Lifeline wireless service options in additional states. Nexus also requests expeditious approval of its Amended Compliance Plan because the company has filed an application to participate in the Commission's Lifeline Broadband Pilot Program.

Respectfully submitted,

Danielle Frappier

James W. Tomlinson

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(202) 973 - 4242

Counsel to Nexus Communications, Inc.

December 4, 2012

Exhibit 1 Lifeline Applications

<u>Fax to</u>: 1-877-870-9333 <u>Email to</u>: enroll@reachoutmobile.com or <u>Mail to</u>: ReachOut Wireless, PO Box 247168, Columbus, OH 43224-7168



125 FREE Rollover Minutes 250 FREE Non-Ro	llover Minutes	LIFELINE APPLICATION			
I certify that I participate in one of the following programs (check one):					
E F - 10" (01140)	Medicaid				
	Teremposary Assistance to Needy Families (TANF)				
		ed on income, a different form is required.			
You must provide documentation demonstrating your cur					
Last Name: First Name:	<u> </u>	Middle Initial:			
Last 4 digits of Soc. Security#: Date of Birth:					
Residential Address:		Statete: Zîp:			
(no P.O. Box for res. address) This is my (check one): Permane					
Iffyou move, you must update your residential address with Reac					
Billing Address (if different):					
billing Address (il differency.	Apr Oit	y			
I caknowledge that Lifeline is a government assistance program and that willfully making false statements to obtain the benefit can result in fines, imprisonment, de-enrollment or being barred from the program. I acknowledge that only Lifeline eligible consumers may enroll in the Lifeline Program. I acknowledge that only Lifeline service is available per household, and that, to the best of my knowledge, no other person in my household is receiving a Lifeline service. (For purposes of Lifeline, a "household" is any individual or group of individuals who live together at the same address and share income and expenses.) I acknowledge that a household is not permitted to receive Lifeline benefits from multiple providers and that violation of thiis limitation constitutes a violation of the rules of the Federal Communications Commission and will result in de-enrollment from the Lifeline program. If I am participating in another Lifeline program at the time I apply for ReachOut Wireless Lifeline service, I agree to cancel that Lifeline service with any other provider. I acknowledge that Lifeline is non-transferable and that I may not transfer my benefit to any other person. I acknowledge that Uireless within 30 days if for any reason I no longer satisfy the criteria for receiving Lifeline services, such as no longer participating in any of qualifying program, or if I or a member of my household receives another Lifeline benefit. I acknowledge that I may be required to re-certify to my continued eligibility for Lifeline at any time, and that my failure to re-certify will result in de-enrollment and termination of my Lifeline benefits. If I move to a new address, I will provide the new address to ReachOut Wireless within 30 days. If I do not provide verification within 30 days, I will be de-enrolled from the Lifeline program. I authorize ReachOut Wireless to access any state or federal governmental records or database required to verify my statements herein and to confirm my continued eligibility for Lifeline an					
Applicant's Signaturale:		Date:			

Fax to: 1-877-870-9333 Email to: enroll@reachoutmoblile.com or Mail to: ReachOut Wireless, PO Box 247168, Columbus, OH 43224-7168

125 FREE Rollover Minutes



all to: ReachOut Wireless, PO Box 24/168, Columbus, OH 43224-7168

LIFELINE APPLICATION

I certify that my household income is at or below 135% of the Federal Poverty Guidelines as indicated below:

___ 250 FREE Non-Rollover Minutes

Eligibility for Lifeline may apply if your household income is at or below Complete Household Annual Income Inc	nthly ome				
135% of the Federal Powerty Guidelines for a household of that size.	257				
Indicate which income range applies to you in the chart. You must provide proof of eligibility based on income, which can include:	702				
provide proof of englowly based on modifie, which can include:	148				
	593				
(must cover 2 concounting months within the provious 12 months)	039				
A Social Security statement of benefits					
A Tetricine In Justice In City of Series In Se	484				
	930				
	375				
Divorce decree, child support award or other official document containing income information For each add'l person, add: \$5,346 \$4	146				
Last Name: Middle Initial:					
Last 4 digits of Soc. Security#: Date of Birth:					
Residential Address: Apt City: Statete: Zip:					
(no P.O. Box for res. address) This is my (check one): Permanent Address Temporary Address					
If you move, you must update your residential address with ReachOutt Wireless within 30 days.					
Billing Address (if different): Apt City: Statete: Zip:					
I certify that:					
I acknowledge that Lifeline is a government assistance program and that willfully making false statements to obtain the benefit call in fines, imprisonment, de-enrollment or being barred from the program.	resuit				
I acknowledge that only Lifeline eligible consumers may enroll in the Lifeline Program.					
I acknowledge that only one Lifeline service is available per household, and that, to the best of my knowledge, no other person	ı in mv				
household is receiving a Lifeline service. (For purposes of Lifeline, a "household" is any individual or group of individuals who live					
together at the same address and share income and expenses.)					
1 acknowledge that a household is not permitted to receive Lifeline benefits from multiple providers and that violation of this lim	nitation				
constitutes a violation of the rules of the Federal Communications Commission and will result in de-enrollment from the Lifeline pr					
If I am participating in another Lifeline program at the time I apply for ReachOut Wireless Lifeline service, I agree to cancel that	Lifeline				
service with any other provider.					
I acknowledge that Lifeline is non-transferable and that I may not transfer my benefit to any other person.					
 I acknowledge that providing false or fraudulent information to receive Lifeline benefits is punishable by law. I will notify ReacthOut Wireless within 30 days if for any reason I no longer satisfy the criteria for receiving Lifeline services, such 	25 00				
I will notify ReachOut Wireless within 30 days if for any reason I no longer satisfy the criteria for receiving Lifeline services, such longer meeting the income levels, or if I or a member of my household receives another Lifeline benefit.	1 43 110				
Lacknowledge that I may be required to re-certify to my continued eligibility for Lifeline at any time, and that my failure to re-cert	tify will				
result in de-enrollment and termination of my Lifeline benefits.					
If I move to a new address, I will provide the new address to ReachOut Wireless within 30 days.					
If I provided a temporary address, I will be required to verify my temporary address every 90 days. If I do not provide verification	within				
30 days, I will be de-enrolled from the Lifeline program.					
I authorize Reacthout Wireless to access any governmental state or federal records or database located anywhere required to ve					
statements herein and to confirm my continued eligibility for Lifeline and authorize social service agency representatives to discuss with					
and/or provide information to ReachOut Wireless verifying my participation in programs that qualify me for Lifeline. I also authorize					
ReacthOut Wireless to release any records required for the administration of ReacthOut Wireless's Lifeline program, including to the Universal Service Administrative Company (USAC) to be used in a Lifeline Program Database. I understand that the records are required					
to ensure the proper administration of the Lifeline program and that failure to provide consent will result in the applicant being denied					
the Lifeline service.					
I certify penalty of perjury that the information contained in this certification is true and correct to the best of my knowledge.					
Applicant's Stanatyre; ature: Bate Bate					



Fax to: 1-800-700-5576 Email to: enroll@TSIHomephone.comm or Mail to: TSI Home Phone, PO Box 247168, Columbus, OH 43224-7168

WIREUNE LIFELINE APPLICATION- PROGRAM BASED

I certify that I participate in one of the following programs (che	ck one):		
	Medicaid		
_Fefeteeral Public Housing Assistance (Section 8)	_Telrerpporerry Assistance to Needy Families (TANF)		
National School Lumch Free Lumch Program	_Suppledemeental Social Security (SSI)		
lo wowelocome Home Emergy Assistance Program (LIHEAP)	If you wish to qualify based on income, a different form is required.		
You must provide documentation demonstrating your co	urrent participation in the program checked above.		
Last Name: First Name	tne: — — — — Middle Initial:		
Last 4 digits of Soc. Security#: Date of Birth: _			
Residential Addressress:	Apt City: Statete: _ Zip:		
(no P.O. Box for res. address) This is my (check one): Penmano			
Iffyou move, you must update your residential address with TSI	Home Phone within 30 days		
Billing Address (if different):	Apt City: Statete: _ Zip:		
in fines, imprisonment, de-enrollment or being barred from the pro I acknowledge that only Lifeline eligible consumers may enroll in the I acknowledge that only one Lifeline service is available per house household is receiving a Lifeline service. (For purposes of Lifeline together at the same address and share income and expenses.) I acknowledge that a household is not permitted to receive Lifeline constitutes a violation of the rules of the Federal Communications of If I am participating in another Lifeline program at the time I apply service with any other provider. I acknowledge that Lifeline is non-transferable and that I may not transferable and that I may not participating in any of qualifying program, or if I or a member of my I acknowledge that I may be required to re-certify to my continued result in de-enrollment and termination of my Lifeline benefits. If I move to a new address, I will provide the new address to TSI Hor If I provided a temporary address, I will be required to verify my termination of the lifeline program. I authorize TSI Home Phone to access any governmental state or statements herein and to confirm my continued eligibility for Lifeline and/or provide information to TSI Home Phone verifying my particle Home Phone to release any records required for the administrative Service Administrative Company (USAC) to be used in a Lifeline Pro	e Lifeline Program. Schold, and that, to the best of my knowledge, no other person in my ne, a "household" is any individual or group of individuals who live the benefits from multiple providers and that violation of this limitation. Commission and will result in de-enrollment from the Lifeline program. By for TSI Home Phone Lifeline service, I agree to cancel that Lifeline cansfer my benefit to any other person. Seive Lifeline benefits is punishable by law. Inger satisfy the criteria for receiving Lifeline services, such as no longer household receives another Lifeline benefit. It eligibility for Lifelline at any time, and that my failure to re-certify will me Phone within 30 days. If I do not provide verification within federal records or database located anywhere required to verify my ne and authorize social service agency representatives to discuss with cipation in programs that qualify me for Lifeline. I also authorize TSI on of TSI Home Phone's Lifelline program, including to the Universal agram Database. I understand that the records are required to ensure of provide consent will result in the applicant being denied the Lifeline.		
Applicant's Signature:	Bate:		



Annual Income

\$15,080

Monthly

Income

\$1,257

Persons in

Household

1

Fax to: 1-800-700-5576 Email to: enroll@TSIHomephome.com or Mail to: TSI Home Phone, PO Box 247168, Columbus, OH 43224-7168

Eligibility for Lifeline may apply if your household income is at or below

135% of the Federal Powerty Guidelines for a household of that size.

WIRELINE LIFELINE APPLICATIONN- INCOME BASED

Check or

Complete

I certify that my household income is at or below 135% of the Federal Powerty Guidelines as indicated below:

Indicate which income range applies to you in the chart. You must				
provide proof of eligibility based on income, which can include:	0	2	\$20,426	\$1,702
Last year's federal or state tax return	D	3	\$25,772	\$2,148
Current income statement from an employer or paycheck stub	O	4	\$31,118	\$2,593
(must cover 3 consecutive months within the previous 12 months)	D	5	\$36,464	\$3,039
A Social Security statement of benefits	D	6	\$41,810	\$3,484
A retirement//pension statement of benefits		7	\$47,156	\$3,930
 An Unemployment/Workers' Compensation statement of benefit Federal notice letter of participation in General Assistance 				
 Federal notice letter of participation in General Assistance Divorce decree, child support award or other official document 	D	8	\$52,502	\$4,375
containing income information	#lin household	For each add'l person, add:	\$5,346	\$446
Last Name: First Name:		Mid	dle Imitial:	
Last 4 digits of Soc. Security#: Date of Birth:				
Residential Address:Ap	ot C	ity: \$tagel	ke:_ ℤ ip:	
(no P.O. Box for res. address) This is my (check one): Permane	nt Address_	Temporary Add	ress	
Iffyou move, you must update your residential address with TSI Home	Phone with	in 30 days		
Billing Address (if different):Apt		•	7in:	
AptApt	City		ZIP	
I acknowledge that only one Lifeline service is available per household, receiving a Lifeline service. (For purposes of Lifeline, a "household" is any share income and expenses.) I acknowledge that a household is not permitted to receive Lifeline bene violation of the rules of the Federal Communications Commission and w another Lifeline program at the time I apply for TSI Home Phone Lifeline ser I acknowledge that Lifeline is non-transferable and that I may not transfer I acknowledge that providing false or fraudulent information to receive Liffell I will notify TSI Home Phone within 30 days if for any reason I no longer s income levels, or if I or a member of my household receives another Lifeline I acknowledge that I may be required to re-certify to my continued eligib enrollment and termination of my Lifeline benefits.	y individual or efits from multi ill result in de- vice, I agree to benefit to ar line benefits is satisfy the crite a benefit.	group of individuals who iple providers and that veneroliment from the Life cancel that Lifeline serviciny other person. punishable by law. ria for receiving Lifeline seat any timme, and that me	live together at the collection of this limit eline program. If I see with any other proservices, such as no limit to the collections of the colle	same address and ation constitutes am participating in vider.
If I move to a new address, I will provide the new address to TSI Home Phon If I provided a temporary address, I will be required to verify my temporary de-enrolled from the Lifeline program. I authorize TSI Home Phone to access any governmental state or federal re and to confirm my continued eligibility for Lifeline and authorize social see Home Phone verifying my participation in programs that qualify me for Life administration of TSI Home Phone's Lifeline programs including to the Lifeline	y address every records or datal rvice agency re eline. I also au	90 days. If I do not prov base located anywhere re presentatiives to discuss hithoriize TSI Home Phone	equired to verify my with and/or provide to release any recon	statements here information to T ds required for th
If I provided a temporary address, I will be required to verify my temporary de-enrolled from the Lifeline program. I authorize TSI Home Phone to access any governmental state or federal mand to confirm my continued eligibility for Lifeline and authorize social set Home Phone verifying my participation in programs that qualify me for Life administration of TSI Home Phone's Lifeline program, including to the Unit Database. I understand that the records are required to ensure the proper result in the applicant being denied the Lifeline service.	y address every ecords or datal rvice agency re eline. I also au versal Service A r administration	90 days. If I do not prov base located anywhere re presentatiwes to discuss othorize TSI Home Phone Administrative Company (n of the Lifeline program	equired to verify my with and/or provide to release any recon (USAC) to be used in and that failure to p	statements herei information to T ds required for th a Lifeline Program
If I provided a temporary address, I will be required to verify my temporary de-enrolled from the Lifeline program. I authorize TSI Home Phone to access any governmental state or federal mand to confirm my continued eligibility for Lifeline and authorize social set Home Phone verifying my participation in programs that qualify me for Life administration of TSI Home Phone's Lifeline program, including to the Univ Database. I understand that the records are required to ensure the proper	y address every ecords or datal rvice agency re eline. I also au versal Service A r administration	90 days. If I do not prov base located anywhere re presentatiwes to discuss othorize TSI Home Phone Administrative Company (n of the Lifeline program	equired to verify my with and/or provide to release any recon (USAC) to be used in and that failure to p	statements herei information to TS ds required for th a Lifeline Prograr rovide consent wi

Exhibit 2 Sample Marketing Material



CELLULAR PHONE FREE MINUTES & TEXTS

anytime minutes every month!

Receive a FREE Cell Phone and 250 Minutes a month for ALL qualifying customers! 🥻

1-877-870-9444

Reach Out www.ReachOutWireless.com

Complaints appairing Lifeline Linkup service can be directed to the XXXX Public Service Commission's Commissions Affairs Unit at XXX-XXX-XXXX

CELLULAR PHONE **FREE MINUTES & TEXTS**

anytime ROLLOVER minutes every month! All unused minutes rollover to the next month!

Receive a FREE Cell Phone and 125 ROLLOVER Minutes a month for ALL qualifying customers

1-877-870-9444 www.ReachOutWireless.com

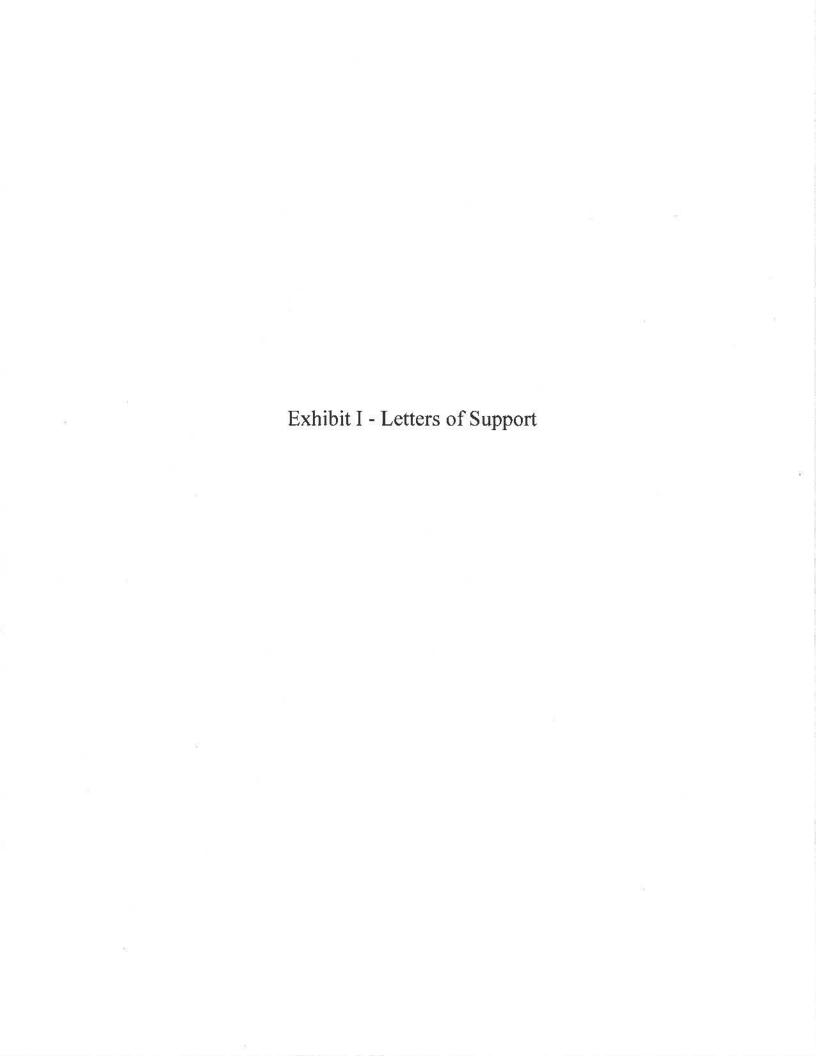
Complaints concurring Lifeline-Lineup service can be directed to the XXXXX Public Service Commission's Commissions Afters Unit at XXX-XXX-XXXX.



IMPORTANT INFORMATION concerning Lifeline wireless service

Uteline is a government assistance program. Only one Lifeline service is available per household. A violation of the orie per household limitation to the stitute of the orie per household limitation to the stitute of the per household limitation to the stitute of the stitute your service. You must use your phone to continue to receive service. Should you not use your service to receive service. Should you not use your service to 60 days you will be de-amatted. Littlifue is a Federal bearett. Willingly making false statements to obtain the benefit can resolt in fines, imprisonment, de-enrollment of being barred from the program. Price of eligibility is required and only suitable to the program. eligible dustomers may enfall. Proof may consist of difgible program clind or statement benefits.

Nocus Communications Inc.





NATIONAL CONSUMERS LEAGUE

1701 K Street, NW, Sudite 1200, Washington, DC 20006
PROME (202) 835-3323 PAG (202) 835-0747 mnnr.uslpet.grg

January 7, 2009

Ms. Marlene H. Dortch Secretary Federal Communications Commission 445 12th Street, SW Washington, DC 20544

Re:

CC Docket No. 96-45

Dear Ms. Dortch:

l am writing on behalf of the National Consumers League (NCL)¹ to express concern that delays in providing Eligible Telecommunications Carrier (ETC) certification to prepaid wireless carriers may be delaying the expansion of Lifeline wireless service to low-income consumers.

As we have stated in previous comments², wireless telephone service has become an essential part of modern life. That is why we have consistently supported the use of Universal Service Fund monies to bring wireless telephone service to low-income consumer via the Lifeline program. We believe that all carriers that are able to meet the service obligations of Lifeline should be able to serve Lifeline customers so that low-income Americans can have the same access to wireless and competitive services as other consumers.

The advantages that wireless service brings to low-income and working Americans, particularly minority consumers, are well-documented. For example, a recent report³ concluded that providing cell phones to the 38 percent of America's 45 million poorest households now without them -- including millions of seniors, Hispanics and African-Americans -- could help them get work or earn income at levels approaching \$2.9 billion-\$11 billion. Consumers will surely

[†] The National Consumers League, founded in 1899, is America's pioneer consumer organization. Our non-profit mission is to protect and promote social and economic justice for consumers and workers in the United States and abroad.

² CC Docket 96-45, WC Docket 03-109, NCL PETITIONS CONCERNING ELIGIBLE TELECOMMUNICATIONS DESIGNATIONS AND THE LIFELINE AND LINK-UP UNIVERSAL SERVICE SUPPORT MECHANISM, September 17, 2004

³ Sullivan, Nicholas. <u>Cell Phones Provide Significant Economic Gains for L\u00a8w-Income American Households.</u> New Millennium Research Council. April 2008. Online: http://www.newmillenniumrcsearch.org/archive/Sullivan_Report_032608.pdf

benefit if more providers were able to offer Lifeline services.

Given the benefits of wireless service to low-income and working consumers, we urge you to adopt policies that allow more Americans to access Lifeline wireless services.

Respectfully submitted,

Sally Greenberg Executive Director

Consumer Action

www.consurner-action.org

PO Box 70037 Washington, DC 20024 202-544-3088 221 Main St, Suite 480 San Francisco, CA 94105 415-777-9648 523 W. Sixth St., Suite 1105 Los Angeles, CA 90014 213-624-4631

May 10, 2010

Dear Commissioner:

As an organization dedicated to protecting and helping consumers, Consumer Action believes that all carriers who seek certification to provide Lifeline and Link-Up services to low-income Americans should be also granted the authority to allow the consumer to decide what type of Lifeline offering they would prefer writeless or wire-line. Low-income consumers should have access to the same type of competitive telecommunication services as other consumers. That is why we are writing today to support the Wireless Lifeline telecommunications service offered by Nexus Communications, Inc.

Consumer Action has been engaged in ensuring that Lifeline and Link-Up serves those in need and we applaud the goal to achieve a 100 percent participation rate among eligible and qualified low-income consumers. Unfortunately, federal figures indicate that Lifeline participation rates nationwide remain low. As a result, low-income households across the country continue to lag behind in obtaining the goal of enjoying access to services that are routinely enjoyed by other consumers everyday. Consumer Action believes that the Nexus Wireless Lifeline program will bring new opportunities for participation by low-income residents of your state.

Nexus' Wireless Lifeline offering is a prepaid wireless service that includes a free wireless handset and fixed amount of free monthly minutes available to qualifying consumers with no credit check, deposit requirements or long term agreements. As such, we believe that it can provide a vital option for low-income consumers who seek access to mobile wireless service, but who are wary of the early termination penalties and late payment fees that are associated with more traditional post-paid service. Through Nexus' Wireless Lifeline service, low-income consumers would also be afforded the opportunity to access services that other consumers currently receive with mobile cell phones, including voice mail, nationwide long distance and other essential features not currently offered with landline providers under their Lifeline programs. In addition, this new

¹ Founded in 1971, Consumer Action is a national non-profit education and advocacy organization serving more than 10,000 community-based organizations with training, educational modules, and multi-lingual publications.

Wireless Lifeline service would help the needlest to participate equitably in the convenience, benefits, and security afforded by wireless service.

Granting swift approval of Nexus: Wireless Lifeline service offering would further the principles of universal service enumerated in Section 254(b)(3) of The Communications Act of 1934, as Amended ("The Act") and allow low-income consumers in all regions of the country to have 'access to telecommunications...servicess'—thereby fulfilling an important social imperative to ensure that all low-income residents are able to communicate by telephone with family, support networks, employers and emergency services. Approval of the Nexus Wireless Lifeline service would also greatly expand the range of telecommunications services available to low-income consumers and bring Lifeline and Link-Up into the 218 century. Consumer Action believes that as more providers enter this space, it will further uphold the principle of competitive and technological neutrality that is a cornerstone of federal and state regulation.

Consumer Action also believes that low-income consumers should have the same choice of the technology and service available to all other consumers, and that participation in vital low-income programs, such as Lifeline and Link-Up, should not serve as a barrier to new technologies, but should instead be a channel to greater access to competitive choices such as wireless. The Wireless Lifeline service offered by Nexus provides eligible consumers with a free wireless handset and a set amount of free minutes of local and domestic long distance usage each month.

We hope that the Commission will continue to support the availability of Wireless Lifeline and Link-Up and encourage other prepaid \Mineless providers to pursue Lifeline ETC authority. Wireless Lifeline consumers can benefit from increased competition in the marketplace, and we support this petition by Nexus Communications, Inc. because we believe that additional providers in the arena will create a robust marketplace to benefit the very low-income households that are so badly in need of economic assistance in these difficult times.

Respectfully submitted,

Kan Wesserry

Ken McEldowney

Executive Director



NATIONAL OFFICE 1140 Connecticut Avenue, NW Suite 1210 Washiniglon, DC 20036

PHONE: 202.265.7546 FAX: 202.265.5048

Info@communityactionpartmership.com
www.communityactionpartmership.com

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Tom Tenorio, CCAP Treasurer Oroville, CA February 18, 2011
Mr. Julius Genachowski
Chairman
Federal Communications Commission
445 12th Street SW

Washington, DC 20554

Dear Chairman Genachowski:

I write on behalf of the Community Action Partnership (Partnership), the non-profit membership organization that represents the interests of more than 1,000 Community Action Agencies across America. In 2009, these Community Action Agencies served 20.7 million low-income people and families in more than 96% of America's counties. The Partnership's mission is to strengthen, promote, and provide training and technical assistance to our member agencies that receive federal Community Services Block Grants. We work to promote economic security and self-sufficiency for our nation's poor (43.7 million in 2009).

The Partnership is a strong advocate and proponent of the Lifeline program. We support measures that streamline the process for helping low-income consumers take advantage of the free wireless services Lifeline offers.

These free, prepaid services have helped revive a languishing program while bringing new access and opportunity to millions of Americans. Every day, in every state of America, Community Action staff meet with people who are struggling to pay their bills, find a job or even just meet their families' basic needs of food, shelter, and safety. Our member agencies tell us about the transformation that occurs when disadvantaged and vulnerable people and families are empowered to improve their circumstances.

These peoples' lives are more secure, easier when they have a cell phone and the Lifeline program. Lifeline contributes to their economic stability, personal security, and future opportunities. Having access to free cell phone makes Community Action clients more competitive with other job seekers; it gives our folks a leg up in an economy that continues to be very hard on our mation's poor and near-poor. Helping their lives become better improves their overall community and our society as a whole.

We are aware, however, that the Federal Communications Commission is considering proposals that could have an immediate negative impact on the free phone offerings available through Lifeline. The Partnership is convinced that any efforts that would hinder an individual's ability to obtain these services or complicate the enrollment process would be very detrimental to the low-income people we represent and serve and to the Lifeline program itself.

The FCC is to be commended for having the vision to recognize the true potential of a free wireless phone program for low-income people and for extending Lifeline to include such an offering. Retreating from that decision and implementing a minimum monthly charge on those least able to afford it would be a significant step in the wrong direction. It would instantly inhibit and discourage the people who need it the most. Even a fee of a few dollars per month is too much for people who do not know where their next meal is coming from and struggle to pay their heat and utility bills. Carriers have found a way to make the program work; charging for such service should not be left to their discretion.

As you might expect, after 47 years of providing programs, our Community Action Network is thoroughly familiar with the intake and enrollment programs for the wide variety of social service, employment and training and other economic security programs. During the four plus decades, Community Action has helped hundreds of millions of Americans obtain services that meet their most pressing needs. Our experience confirms that the success or failure of a program can occur even before someone tries to utilize the service being offered.



The Partnership fully understands that certain verification requirements must—and should—be in place to prevent fraud or mismanagement. Yet, the reality is that each additional enrollment requirement translates into a barrier to enrollment for clients with very little or no resources. Requiring individuals to provide written proof or documentation of their eligibility—can you prove you're poon?—will deny certain people the opportunity to apply.

There is little, if any, evidence that suggest that widespread fraud is taking place now. The FCC first should investigate the probability that such fraud exists before it implements a policy change that would discourage enrollments by eligible participants and result in significant, perhaps unsustainable, costs for providers.

In summary, the Community Action Partnership opposes any changes in prepaid Lifeline that would make it more difficult for our clients to obtain this valuable, life-saving service. The goal of the Universal Service Fund, and by extension Lifeline, is to make sure that everyone has access to phone service, especially those low-income people whose lives are more susceptible to emergencies and unexpected crises. Altering free prepaid Lifeline offerings in a way that they no longer become viable is counter to that goal. The Partnership is committed to helping people help themselves, and free cell phones for low-income people substantially help achieve that goal.

We respectfully ask that the FCC carefully consider any changes to Lifeline that would hurt or curtail service to the very people it was intended to help. Thank you for considering these comments and for the opportunity to submit them to the FCC.

Very truly yours,

Don Mathis





February 18, 2011

Julius Genachowski Chairman Federal Communications Commission 445 12th Street, SW Washington, DC 20554

RE: CC Docket 96-45

Dear Chairman Genachowski:

The League of Umited Latin American Citizens (LULAC) and the Hispanic Federation have both previously expressed their support for Lifeline, which has provided access to communication for Latinos across the United States. Prepaid Lifeline service has finally expanded the program to its full potential. Latinos have a higher propensity to utilize prepaid cell phones compared to other populations and the ability to obtain service through Lifeline free of charge has opened up doors for many struggling members in our community.

LULAC and Hispanic Federation are both dedicated to empowering Latinos to improve their economic condition and empower their lives. We believe that cell phone access helps achieve this mission. A cell phone truly is a lifeline, serving as a vehicle for security, stability and economic attainment. For this reason we are concerned about certain proposals before the FCC that could do irreparable harm to prepaid Lifeline services.

First, making the enrollment process more difficult for applicants will hurt participation and significantly increase the cost to administer the service. It is not always possible for an eligible individual to provide written documentation that they qualify for the program and it is unfair to shut that person out of the program because of a lack of means. Also, the additional paperwork this will create is an administrative burden that providers will likely not be able to shoulder.

Similarly, implementing a minimum charge for service could have a devastating effect on participation. These are times of unprecedented need and the recession has hit Latinos disproportionately hard. A study by the Joint Economic Committee found that in October 2009 the Hispanic unemployment rate had reached 13.1%, 3 percentage points higher than the overall rate. With little or no income many Hispanics simply cannot afford any extra expense, no matter how small. Regressing to a system that makes people pay for service, especially when it is not necessary, is clearly in conflict with the goal of Lifeline.





Participation rates in Lifeline have suffered for so long, despite the efforts of the FCC to build awareness of the program. We applaud the FCC for approving services that are finally reversing that trend, so it would be tragic to see providers that have found a working solution to this issue disappear from the program.

As we have outlined, the proposed changes would have unintended consequences that could ultimately result in the discontinuation of prepaid Lifeline services. This would not only harm low-income Latinos, but all struggling Americans that are seeking support. On behalf of our community, we respectfully request that the FCC seriously consider the disadvantages of implementing the above changes before choosing a course of action.

Sincerely,

Margaret Moran National President

League of United Latin American Citizens

Margaret Maran

Lillian Rodríguez López

President

Hispanic Federation

PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA

DOCKETING DEPARTMENT

NOTICE OF FILING

DOCKET NO. 2013-____-C

Nexus Communications, Inc. ("Nexus") filed an Application with the Public Service Commission of South Carolina (Commission), for designation as a wireless Eligible Telecommunications Carrier (ETC) pursuant to Section 214(e)(2) of the Telecommunications Act of 1934, as amended, and S.C. Code Ann. Regs. § 103-690. Nexus seeks wireless ETC designation solely to provide Lifeline Assistance to qualifying South Carolina consumers. Nexus does not seek access to funds from the federal Universal Service Fund (USF) for the purpose of providing service to high cost areas. Nexus will provide Lifeline Assistance to qualifying customers requesting these services throughout its designated service area in South Carolina, pursuant to the USF and in accordance with 47 C.F.R. § 54.202(a)(1).

A copy of the Application is on file in the offices of the Public Service Commission of South Carolina, 101 Executive Center Drive, Saluda Building, Columbia, SC 29210; the Commission's website at www.psc.sc.gov, and is available through John J. Pringle, Jr., Ellis, Lawhorne & Sims, P.A. P. O. Box 2285, Columbia, SC 29202.

A public hearing, if scheduled, will be held in Columbia, South Carolina in the offices of the Commission at the above address, for the purpose of receiving testimony and other evidence from all interested parties regarding this Application. The time and date of any such hearing will be furnished to all interested parties at a later date.

7	1
Any person who wishes to participate in this matter, as a party of record file a Petition to Intervene in accordance with the Commission's Rules	s of Practice and Procedure on or before r his presentation. Please include an email
address for receipt of future Commission correspondence in the Petition	to Intervene. Please refer to Docket No.
2013C.	
Any person who wishes to testify and present evidence at the hearing sl writing at the address below, the Office of Regulatory Staff at Post Offi John J. Pringle, Esq. at the above address, on or before required for his presentation. <i>Please refer to Docket No. 2013C.</i>	ice Box 11263, Columbia, SC 29211, and
Any person who wishes to be notified of any change in the hearing, but of party of record, may do so by notifying the Docketing Department in very 2013. <i>Please refer to Docket No. 2013C.</i>	writing at the address below on or before
PLEASE TAKE NOTICE: Any person who wishes to have his or her crecord of this proceeding <u>MUST</u> present such comments, in person, to the	*

Persons seeking information about the Commission's Procedures should contact the Commission at (803) 896-5100.

Public Service Commission of South Carolina ATTN: Docketing Department Post Office Drawer 11649 Columbia, South Carolina 29211

January _____ 2013